

Town of Shrewsbury

Community Development Plan

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Shrewsbury Board of Selectmen

Shrewsbury Master Plan Implementation Group

Submitted by:

Community Opportunities Group, Inc.

Boston, Massachusetts

GIS Services by:

Central Massachusetts Regional Planning Commission

Worcester, Massachusetts

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REPORT ATTACHMENTS

- I. Reorganized & Consolidated Zoning Bylaws (March 2002)
- II. Proposed Zoning Bylaws
 - A. Lakeway Overlay District
 - B. Edgemere District

Introduction

The Shrewsbury Planning Board adopted a new Master Plan in April 2001 and subsequently applied for an E.O. 418 Community Development Planning Grant to finance the first phase of zoning implementation. The Commonwealth's Inter-Agency Work Group approved a scope of services that included new zoning bylaws, a housing needs analysis, and maps identifying housing and economic development opportunity areas in Shrewsbury. Specifically, the work plan called for the following tasks and services:

Component	Authorized Scope of Work
Housing	<ul style="list-style-type: none"> • An analysis of current and future housing demand, with particular emphasis on the needs of low-, moderate- and middle-income households, frail elders, single parent households, empty nesters, entry-level professionals, persons with disabilities, or municipal employees. • Identification of areas suitable for higher density housing. • Analysis of housing gaps and development of goals for location, type and quantity of housing to address identified gaps (if any). • EO 418 Housing Suitability Map showing major implementation strategies of the Master Plan and recommendations developed through the housing gap analysis.
Economic Development	<ul style="list-style-type: none"> • EO 418 Economic Development Suitability Map, showing the location, type and quantity of commercial and industrial development to be carried out under the master plan. • Master Plan Implementation Services • Consolidation of Commercial Districts and Industrial Districts as generally set forth in the April 2001 Master Plan.

This report compiles and synthesizes the material prepared for the town under its E.O. 418 planning grant.

Housing Plan

I. BACKGROUND

For the 1,300 homeowners who still live in the house they bought in Shrewsbury more than 30 years ago, the town must seem very different today. In 1969, Shrewsbury had fewer than 20,000 residents and just about everyone in the labor force held a local job or commuted to Worcester. There were no large apartment or condominium developments and no big-box retail establishments, and the effects of I-290 on Shrewsbury's development pattern had only begun to be felt along the northern end of town. The Spring Street Elementary School and Shrewsbury Middle School had opened only a few years before, both prompted by a significant population increase that occurred during the 1950s.¹



Photo by Executive Office of Environmental Affairs
Community Preservation Initiative, (1999).

At the time, Shrewsbury families tended to live near the town center or in then-new subdivisions off Lake, Crescent Street, Oak Streets and Maple Avenue north of Route 9, and Lake Street, Howe Avenue, Oak and Grafton Streets south of Route 9. Map H-1 shows that while much of Shrewsbury's post-World War II development essentially filled in around older, established neighborhoods on the west end of town, along Grafton Street (Route 140) and between Holman and South Streets east of the town center, the seeds of suburban growth were firmly planted by the 1960s. Subdivisions built between Floral and Walnut Streets near the eastern stretch of Route 9, around Hill, Prospect and North Streets approaching Northborough, and off Boylston, Gulf and Sewall Streets near I-290 represent the convergence of several historically important trends that shed light on today's Shrewsbury. Surrounded by a frame of interstate highways, with plenty of vacant land, well-maintained roads and easy access to Worcester, Shrewsbury was destined to grow. Its suburban setting and reasonable development rules, coupled with federal housing policies that favored tract development of single-family homes, made Shrewsbury attractive to developers, builders and young homebuyers.

The commercialization of Route 9 and the outward movement of new growth from the Boston area continued to influence Shrewsbury's evolution after 1970. More than half of all housing units in Shrewsbury today were built between 1970-2000, a condition that differs significantly from the state as a whole, for less than one-third of the Commonwealth's housing units were built in the same era.² During the 1970s, apartments went up along and near Route 9 and by 1980, Shrewsbury had begun to attract condominium developers. As the town's multi-family housing zones built out, single-family subdivisions replaced most of the vacant land along Route

¹ For age of school buildings, see Shrewsbury Master Plan (2001), 59-61.

² Bureau of the Census [American FactFinder online database], Census 2000, Summary File 3, Table H-30, in CSV format; available at <<http://factfinder.census.gov/home>> Select: Data Sets (accessed 28 August 2002).

140 and gradually transformed the entire northeast corner of town around High and Prospect Streets, up to and across I-290. Shrewsbury's relentless housing market pushed land values upward, making the tax benefits of saving farmland and forests less advantageous to the owners. As a result, the town lost most of its Chapter 61 and 61A land to new growth. Its last frontier, the southeast end by Westborough, began to develop during the mid-1980s.

Shrewsbury offers housing choices not found in most suburbs. In Worcester County, Shrewsbury is second only to the City of Worcester for the size of its rental housing inventory, and a majority of its rental stock was developed under the town's own zoning regulations, not with comprehensive permits.³ Today, however, the land zoned for multi-family housing is largely developed and the production pipeline is comprised almost exclusively of single-family dwellings. The town absorbed so much new development during the 1990s that by the end of the decade, Shrewsbury ranked 25th in the Commonwealth for percent growth in housing units and 19th for decennial population growth rate.⁴ In a related trend, aggregate single-family assessments as a percentage of total residential assessed valuation increased from 75% to 82.5%, and the town's school enrollments skyrocketed by 52%.⁵ Not surprisingly, the school department asked voters to approve Proposition 2 ½ debt exclusions for three major school projects between 1990-2000, for a combined capital investment of \$101 million.⁶

Shrewsbury's recent growth is similar to that of many communities near I-495, but shared regional experience gives little comfort to Massachusetts cities and towns because ultimately, each unit of local government is responsible for providing basic services and collecting enough revenue to pay for them. In the absence of adequate, predictable state aid and traditions of regional governance, the Commonwealth's communities have few options for managing the cost of yearly operations: raising taxes, raising user fees, managing local utilities as revenue-generating enterprises, selling capital assets, or buying land – either to stop development or to engineer development toward high-revenue, low-cost land uses. Tensions about growth and change run deep in Massachusetts. Unfortunately, the choices communities make to increase revenue and reduce costs sometimes bring environmental and land use consequences and ironically, the fiscal problems that local officials had hoped to avoid.

Despite Shrewsbury's very high rate of growth, the town is remarkable for its resistance against exclusionary zoning. The largest minimum lot size for a single-family home in Shrewsbury is 20,000 square feet, and the town allows two-family residences in several districts, including

³ Shrewsbury has a total of 1,422 rental units, excluding elderly housing developed and managed by the Shrewsbury Housing Authority. Of the 1,422 apartments, 302 were developed under a comprehensive permit (Avalon Arbor). The rest are in six multi-family housing developments: Yorkshire Terrace, Shrewsbury Commons, Crescent Ridge, Crescent Apartments, Imperial Village and The Sheridan.

⁴ Census 2000, Summary File 1, Tables P1, H1; 1990 Census, Summary File 1, Tables P01, H01. See also, Massachusetts Department of Revenue (DOR), Municipal Data Bank [online database], "Total Housing Units, Land and Water Area per Square Mile," in EXCEL format "House&SqMi.xls," available at <<http://www.mass.gov/dor/dls>> (accessed 12 November 2002). Statewide rankings by author.

⁵ DOR, Municipal Data Bank, "Assessed Valuation," in EXCEL format for fiscal years 1989-2002; Massachusetts Department of Education (DOE), [online database], "Long-Term Trends in School Enrollments," in HTML format, available at <<http://www.doe.mass.edu>> Select: District Administration>Finance and Grants>Statistical Comparisons (accessed 3 March 2001).

⁶ School indebtedness supplied by Town Manager Daniel J. Morgado, July 2003.

small, neighborhood business zones. Multi-family units, garden style or townhouse, have been an allowed use in Shrewsbury for many years. The flexibility of Shrewsbury's development regulations says a great deal about the culture of the town and the people who live here. It also explains the diversity and size of its housing inventory and the significant difference between Shrewsbury's Chapter 40B requirement and that of other towns in the region, especially those of equal or greater land area, as illustrated in Table 1. By maintaining reasonable growth controls compared to most suburbs, Shrewsbury developed faster and absorbed more housing units. As a result, the town has, and it will continue to have, a larger base of year-round homes. Ironically, Chapter 40B places a disproportionate burden on Shrewsbury to accommodate suburban needs for low- and moderate-income housing. However, if Shrewsbury had prohibited multi-family housing and increased the amount of land required for new homes, the town would be a different place in 2003 – and many of its residents would never have been able to afford the home they live in today.

The high cost and limited supply of housing are major economic development impediments throughout the Commonwealth. Zoning regulations are often blamed for the state's shortage of affordable housing, but other factors have contributed as well: the lack of a statewide housing plan, reductions in federal and state housing subsidies, suburban market preferences for large single-family homes, the absence of or limited access to public water and sewer service in many small towns, and the challenges of meeting Title V and wetlands protection standards on increasingly marginal land. Lower-income people cannot afford prevailing home prices or rents while seniors, young adults, one-person households and empty-nester couples who want smaller housing units cannot find homes that meet their needs.

While Shrewsbury's land use regulations are reasonable, the town is not immune from the effects of housing costs on its capacity to attract economic growth and house local workers. Statewide, slightly more than 30% of employed people over 16 years of age work in the city or town where they live, yet only 17% of Shrewsbury's labor force is locally employed. In fact, only 40% of the town's residents work in Shrewsbury and Worcester combined. Today, more than half of the local labor force commutes to employment centers east along Route 9, to Boston, Cambridge and the Route 128 suburbs, and all along the I-495 corridor. Shrewsbury businesses, however, attract workers from throughout Worcester County and the western end of Middlesex County, while about 45% of the people who work in Shrewsbury each day come from the town itself and Worcester.⁷ Since the mid-1980s, total employment in Shrewsbury has grown only 27% and the number of business establishments, by just 17%. Although the average annual wage rose quite a bit, 67%, Shrewsbury nonetheless falls at about the midpoint for regional wages and its share of transportation-related employment is much higher.⁸ The town's ability to attract more businesses and diversify its economic base depends not only on an adequate inventory of construction-ready land, but also access to workers at all educational, skill, and wage levels. Smart housing policy will be essential to meeting these needs.

⁷ Bureau of the Census, "Census 2000 MCD/County to MCD/County Worker-Flow Files," in EXCEL format compressed in ZIP files, "2kresmcd_MA.zip" and "2lwrkmcd_MA," accessed 30 July 2003.

⁸ Massachusetts Division of Employment and Training (DET), "Municipal Data: ES-202 Series," in HTML format, available at <<http://www.detma.org>> Select: Economic Data (accessed 4 November 2003).

Table 1: Existing Distribution of Chapter 40B Units by City/Town by Land Area and Minimum Chapter 40B Requirements at Buildout

	Land Area (in sq. mi)	Census 2000 Population	% Change	Total Year- Round Units	Chapter 40B Units	% Subsidized Base	Chapter 40B Surplus or (-Gap)	Buildout Capacity: Add'l New Housing Units	Housing Inventory at Buildout	Chapter 40B Requirement (10%) at Buildout
Worcester	37.6	172,648	1.7%	70,408	9,356	13.29%	2,315.2	10,993	81,401	8,140
Holden	35.0	15,621	6.8%	5,806	154	2.65%	-426.6	6,383	12,189	1,219
Sutton	32.4	8,250	20.9%	2,869	40	1.39%	-246.9	6,229	9,098	910
Oxford	26.6	13,352	6.1%	5,209	400	7.68%	-120.9	5,397	10,606	1,061
Hopkinton	26.6	13,346	45.2%	4,521	122	2.70%	-330.1	4,632	9,153	915
Leicester	23.4	10,471	2.7%	3,790	132	3.48%	-247.0	4,929	8,719	872
Grafton	22.7	14,894	14.3%	5,820	218	3.75%	-364.0	5,132	10,952	1,095
Upton	21.5	5,642	20.6%	2,083	163	7.83%	-45.3	2,713	4,796	480
Marlborough	21.1	36,255	14.0%	14,846	1,180	7.95%	-304.6	2,918	17,764	1,776
SHREWSBURY	20.7	31,640	31.0%	12,606	554	4.39%	-706.6	6,088	18,694	1,869
Westborough	20.5	17,997	27.3%	6,729	472	7.01%	-200.9	1,755	8,484	848
Holliston	18.7	13,801	6.8%	4,861	153	3.15%	-333.1	3,070	7,931	793
Northborough	18.5	14,013	17.5%	4,983	161	3.23%	-337.3	2,331	7,314	731
Boylston	16.0	4,008	14.0%	1,602	24	1.50%	-136.2	2,307	3,909	391
Sherborn	16.0	4,200	5.3%	1,449	34	2.35%	-110.9	1,628	3,077	308
Millbury	15.7	12,784	4.5%	5,086	211	4.15%	-297.6	3,068	8,154	815
Auburn	15.4	15,901	6.0%	6,551	190	2.90%	-465.1	2,317	8,868	887
Paxton	14.7	4,386	8.4%	1,455	0	0.00%	-145.5	2,842	4,297	430
Southborough	14.1	8,781	32.5%	2,988	70	2.34%	-228.8	1,545	4,533	453
West Boylston	12.9	7,481	13.2%	2,454	70	2.85%	-175.4	1,318	3,772	377
Ashland	12.4	14,674	21.61%	5,781	216	3.74%	-362.1	2,645	8,426	843
TOTAL	442.7	440,145	10.1%	171,897	13,920	8.10%	-3,269.7	80,240	252,137	25,214

Sources: Bureau of the Census, Census 2000 and 1990 Census of Population and Housing, Summary File 1, Table P1; Massachusetts Institute for Social and Economic Research (MISER), for city/town land area statistics; Department of Housing and Community Development (DHCD), Chapter 40B Subsidized Housing Inventory (April 2002); and Executive Office of Environmental Affairs, Community Preservation Initiative, for estimated residential buildout capacity by city/town.

II. HOUSING PROFILE

Housing Inventory

Shrewsbury's 12,696 housing units are comprised mainly of single-family homes, but the town offers a wide variety of housing types, styles and prices. More than 3,500 households occupy rental housing, and Shrewsbury has a sizeable inventory of condominiums – 1,444 units. The town's single-family homes range from small cottages and bungalows in older, established neighborhoods to spacious residences in new subdivisions. Table 2 provides a comparison profile of housing characteristics in Massachusetts, Worcester County and Shrewsbury.

Table 2: Comparison Housing Characteristics

Housing Characteristic	Massachusetts	Worcester County	Shrewsbury
<u>Total Housing Inventory</u>	2,621,989	298,159	12,696
Occupied Housing Units	2,443,580	283,927	12,366
Owner-occupied	61.7%	64.1%	73.1%
Renter-occupied	38.3%	35.9%	26.9%
Vacant Housing Units	178,409	14,232	330
% Vacant	6.8%	4.8%	2.6%
% Seasonal or vacation homes	3.7%	1.1%	1.1%
<u>Structural Types & Tenure</u>			
Single-Family Detached (% total)	52.4%	56.2%	67.4%
Multi-Family (3+ units, % total))	31.1%	29.2%	22.6%
Owner-occupied % multi-family	8.3%	5.4%	4.6%
Renter-occupied % multi-family	68.1%	69.9%	68.5%
<u>Bedroom Size by Tenure</u>			
Owner-Occupied Units (Total)	1,508,248	182,097	9,034
4+ bedroom units	28.4%	26.5%	33.3%
Renter-Occupied Units (Total)	935,332	101,830	3,332
1-bedroom units	33.5%	31.0%	44.7%
4+ bedroom units	4.5%	4.0%	2.8%

Source: Census 2000, SF3, Tables H-1, H-6, H-7, H-30, H-32, H-42.

New Growth

Since 1996, Shrewsbury has permitted more than 1,600 new dwelling units, nearly 35% between 2000-2003.⁹ On average, the town absorbed 210 new single-family homes per year during the last half of the 1990s, although housing starts have slowed recently in Shrewsbury, consistent with the experience of most communities. Production of two- and multi-family units has declined because most of Shrewsbury's higher-density districts are built out, but nearly 10% of the homes built since 2000 are attached housing units, a majority in buildings of 5+ units. Owing to the

⁹ Bureau of the Census, CenStats [online database], Manufacturing, Mining and Construction Statistics, "Building Permits," Select: By Place>Massachusetts>Shrewsbury 027 (accessed 12 November 2003).

sheer volume of new-home construction that occurred in Shrewsbury between 1990-2000, residential values as a percentage of the town's total new growth valuation rose steadily, from 73.2% in 1992 to 94.9% in 2000.¹⁰

Age of Homes

In contrast to the amount of new development that occurred in Shrewsbury over the past few decades, the town has a noteworthy collection of older homes, many of historic significance. Approximately 1,740 dwellings units were built prior to 1939, 75% of which are single-family homes.¹¹ The remaining units are in two-family, small multi-family and mixed-use buildings, i.e., a structure that contains both a business and a residence. Shrewsbury also has several multiple-residence properties: a development tradition common at the turn of the century, with land that has more than one residential building, such as an older single-family dwelling and a carriage house. In Shrewsbury, there are 59 parcels in multiple-residence use, nearly all developed prior to 1940. Similarly, most multi-family buildings (three-family or four- to eight-unit residences) far pre-date the adoption of zoning. For example, the median year of construction for Shrewsbury's small inventory of three-family homes is 1919, and for four- to eight-unit multi-family buildings, 1850. Although single-family homes have always been the primary type of housing in Shrewsbury, it is obvious that the town had a greater mix of homes before the 1950s than is the case today. Table 3 classifies residential uses in Shrewsbury by development era.

Table 3: Periods of Residential Development by Type of Housing

	Pre-1865	1866-1919	1920-1949	1950-1969	1970-1989	1990-2002
Single-Family	116	423	1,326	2,568	1,811	2,425
Two-Family	19	79	103	98	45	13
Three- to Eight-Unit Buildings	12	18	12	6	2	0
Apartments				2	8	3
Condominiums		3	3	2	1,057	379
Mixed-Use	11	21	20	15	7	1
Multiple Residence	2	14	29	12	2	0
TOTAL	160	556	1,493	2,703	2,932	2,809

Source: Town of Shrewsbury, Information Services, FY04 Property Database. Table 2 reports number of parcels by class, not housing units. The table omits parcels for which year of construction was unavailable for this plan.

Condition of Housing Stock

Field inspections and local statistics agree: most homes in Shrewsbury are in good to excellent condition. According to property data maintained by the assessor's office, however, about 3.1% of all residential properties in town are in fair to poor shape and 64% of them are single-family homes built between 1900-1950.¹² Many are ranch-style or split-level residences, small capes, cottages and bungalows, generally with three or fewer bedrooms, and kitchens or bathrooms

¹⁰ DOR, Municipal Data Bank, "New Growth Revenue," in EXCEL format (accessed 12 June 2003).

¹¹ Census 2000, Summary File 3, Table H-34.

¹² Town of Shrewsbury Information Services, (CD-ROM) FY04 Property Database "CAMA_All.dbf," in d-Base format.

lacking modern amenities. With an average gross floor area of 2,536 square feet, the single-family homes with a fair- to poor-condition rating are about half the size of Shrewsbury's newest homes. Since they are small and often outdated, the older residences have much lower assessed valuations. In most cases, the land is worth more than the dwelling unit.

The residential buildings in fair to poor condition include a total of about 405 housing units. Though not concentrated in one part of town, properties with housing quality problems tend to be somewhat more prevalent in Shrewsbury's older neighborhoods: north and south of Main Street near the town center, and on both sides of Route 9 in the Fairlawn area. Nearly 80% are owner-occupied, and not surprisingly, the owner-occupancy rate is much higher among single-family and two-family homes than three-family or multi-family buildings. Approximately one-fourth of the properties have changed hands since 1995, and some – especially the single-family homes – may have been purchased by homebuyers seeking an affordable house that would appreciate in value if improved. In several cases, the sellers had owned their homes since the 1950s.

III. HOUSING, POPULATION & DEMOGRAPHIC TRENDS

Shrewsbury's location, available land and reputation as a quality community make the town very attractive to developers. A state-sponsored build-out study (1999) concluded that if Shrewsbury continued to develop under its then-existing zoning regulations, the town might grow by another 6,000 homes and 18,000 people. More recent estimates place the town's zoned development capacity at an additional 2,415 new homes. Neither forecast includes future comprehensive permit applications, however.¹³

Shrewsbury's most population growth rate between 1980-1990 masked a building boom that began in the mid-1980s. More than 1,300 new dwelling units were added to the town's housing inventory between 1985-1990, accounting for 13% of the 10,055 homes tallied by the U.S. Census Bureau in March 1990. By the end of the 1980s, Shrewsbury's population had increased by only 6.49% despite the amount of new-home construction that occurred in five years. About 39% of its 1990 housing stock consisted of two-family units, apartments and condominiums, many occupied by small households.¹⁴ As for the families that moved into new or recycled single-family homes, however, the immediate effects of Shrewsbury's late-1980s housing starts were yet to be felt.

Between 1990-1999, an average of 707 housing units sold each year in Shrewsbury, 86% of which were single-family homes.¹⁵ By 2000, the town's population had increased 31.04%, from 24,146 to 31,640 while K-12 school enrollments rose by 52%. In 1990, school-age children constituted

¹³ Connery Associates and Community Opportunities Group, The Fiscal Implications of Growth and Change (2001), 22.

¹⁴ 1990 Census of Population and Housing, Summary File 1, TablesP01, H01, H18; Massachusetts Institute of Social and Economic Research (MISER), [online database], Population Statistics, "Population of Massachusetts Cities, Towns and Counties: Census Counts and Estimates, 1930-1998, with Land Area and Population Density in 1990," in EXCEL format "Pop30_90CurrEst.xls," available at <<http://www.umass.edu/miser>> (accessed 19 January 2000).

¹⁵ The Warren Group, "Free Market Statistics," [online database] Select: Shrewsbury, available at <<http://www.thewarrengroup.com/townstats>> (accessed 18 February 2001).

13.5% of the town's population; today, 15.31%. Public school enrollments climbed so much after 1993 that Shrewsbury moved into the top quartile statewide for school population growth.¹⁶ At the same time, the supply of vacant land declined by about 1,200 acres, or 8.14% of Shrewsbury's total land area. The combined impacts of economic recovery, job growth in Eastern Massachusetts, regional transportation improvements and spin-off effects of the Baby Boom brought enormous housing demand to suburbs along or easily accessible to I-495. Shrewsbury became a logical market choice for those who could not afford to buy a home in more affluent communities nearby, such as Southborough or Hopkinton. Table 4 shows that compared to the state or Worcester County, Shrewsbury grew much faster in terms of households, housing units, total population and clearly, its under-18 population.

Table 4: Comparative Population, Household Characteristics

	Massachusetts	Worcester County	Shrewsbury
Population (2000)	6,349,097	750,963	31,640
Percent Population Growth 1990-2000	5.5%	5.8%	31.0%
Percent Under-18 Population Growth	10.9%	11.1%	52.1%
Percent Over-65 Population Growth	5.0%	0.7%	26.7%
Households (2000)	2,444,588	284,218	12,417
Percent Household Growth 1990-2000	8.8%	9.3%	33.5%
Average Household Size (2000)	2.51	2.55	2.98
Families (2000)	1,587,537	193,812	8,747
Families as % Households	64.9%	68.2%	70.4%
Average Family Size	3.11	3.11	3.09
Percent Families w/ Children <18	47.2%	37.6%	42.4%
Average School-Age Children/Family	1.00	1.04	1.09
Housing Units (2000)	2621989	298159	12,696
Percent Housing Growth 1990-2000	6.0%	6.7%	26.3%
Percent Owner-Occupied Unit Growth	13.3%	14.1%	38.0%
Percent Renter-Occupied Unit Growth	2.2%	1.3%	20.8%
% Owners with School-Age Children (2000)	26.2%	28.4%	27.5%
% Renters with School-Age Children (2000)	18.5%	20.6%	14.0%
Median Household Income	\$50,502	\$47,874	\$64,237
Homeowners	\$64,506	\$61,125	\$74,477
Renters	\$30,682	\$27,645	\$40,259
Median Family Income	\$61,664	\$58,394	\$77,674
Median Income Families w/ Children	\$61,530	\$59,527	\$81,199

Source: Census 2000, Summary File 1, Tables P1, Summary File 3; 1990 Census of Population and Housing, Summary File P1, P

¹⁶ Census 2000, Summary File 1, Table P1; DOE, "Long-Term Trends in School Enrollments" and "Foundation Enrollment, Massachusetts Cities and Towns, FY93-99," founden_app(1).xls.

The town's issuance of about 210 single-family home permits per year during the last decade was only one aspect of larger real estate trends. A total of 2,071 new single-family homes were added to the tax rolls between FY 1990-1999, accounting for some 34% of all single-family homes sold during the same period. Condominiums made up almost 14% of all home sales during the 1990s, and in 1999 alone 13% of the town's entire condominium inventory changed hands. As demand for housing intensified in Shrewsbury, the local market responded in kind. Developers tailored their investment choices to what they could readily sell: single-family homes. Moreover, the impact of units built in the 1980s had begun to reach the Shrewsbury public schools by the beginning of the 1990s. Older housing units were sold and resold between 1990-1999, and they attracted families who sought something affordable in a region where affordability had been eclipsed by skyrocketing home prices. Shrewsbury's moderately priced homes became a magnet for families and spawned a dramatic rise in pre-school and school-age children in a very short period of time. While the percentage of families with children under 18 is somewhat lower in Shrewsbury than elsewhere in the state, both the percentage of family households and the average number of school children per family are much higher. These statistics suggest that the real estate market views Shrewsbury's school system in a favorable light and help to explain the town's dramatic growth in education costs over the past decade.

IV. GROWTH MANAGEMENT

In Shrewsbury, the Engineering Department manages all planning, conservation, health and inspectional service functions and provides technical support to town boards and committees. Under Shrewsbury's charter, the town manager appoints the staff in these offices as well as the planning board, conservation commission and board of health. The selectmen appoint the board of appeals. Local officials have access to state-of-the-art resources, including a new GIS installation supported and maintained by the Engineering Department.

Zoning

Shrewsbury's mix of homes attests to the endurance of older development traditions and to the variety of residential uses built into the zoning bylaw. The town has eight residential zoning districts: Rural A, Rural B, Residence A, Residence B-1, Residence B-2, Multi-Family 1, Multi-Family 2, and Apartment (see Zoning Map). In all eight residential districts, Shrewsbury allows single-family homes as of right and senior housing by special permit, while two-family dwellings are permitted in the Residence B-2, Multi-Family and Apartment Districts.¹⁷

Garden apartments and townhouse units are allowed by special permit in the Multi-Family 1 and Multi-Family 2 zones, and high-density multi-family development in the Apartment District. The town provides for continuing care facilities by special permit in Residence B-1. Accessory or "in-law" apartments require a special permit in all residential districts, but they are a permitted

¹⁷ Shrewsbury also has several commercial and industrial districts, some of which were consolidated in March 2002 through zoning amendments prepared for the Community Development Plan. See "Economic Development" section of this report.

use in the Commercial Business and Limited Business zones. Table 5 summarizes the basic density and dimensional requirements of Shrewsbury's residential zoning districts.¹⁸

Table 5: Summary of Zoning Requirements for Residential Development

DISTRICT/USE	Lot Area Sq. Ft.	Lot Frontage	Front Yard	Setbacks			Lot Coverage Percent	Maximum Height	
				Side Yard	Rear Yard	Feet		Stories	
<u>Rural A</u>									
One Family	20,000	125	50	30	50	20	35	2.5	
All Other Uses	40,000	150	50	30	50	10	35	2.5	
<u>Rural B</u>									
One Family	20,000	125	50	30	50	20	35	2.5	
All Other Uses	40,000	150	50	30	50	10	35	2.5	
<u>Residence A</u>									
One Family	20,000	125	30	20	40	30	35	2.5	
All Other Uses	40,000	150	50	30	50	10	35	2.5	
<u>Residence B-1</u>									
One-Family	12,500	100	30	10	40	30	35	2.5	
All Other Uses	40,000	150	50	30	50	10	35	2.5	
<u>Residence B-2</u>									
One-Family	12,500	100	30	10	40	30	35	2.5	
Two-Family	16,000	125	30	10	40	30	35	2.5	
All Other Uses	40,000	150	50	30	50	10	35	2.5	
<u>Multi-Family</u>									
One-Family	12,500	100	30	10	40	30	35	3	
Two-Family	16,000	125	30	10	40	30	35	3	
MF-1	16,000	50	50	25	25	--	35	3	
MF-2	160,000	50	50	50	50	--	35	2	
All Other Uses	20,000	125	25	25	75	10	35	3	
<u>Apartment</u>									
One-Family	12,500	100	30	10	40	30	35	3	
Two-Family	16,000	125	30	10	40	30	35	3	
Multi-Family	16,000	125	25	50	50	8	96	8	
All Other Uses	20,000	125	25	50	50	10	35	3	

Source: Shrewsbury Zoning Bylaw, Table I, Use Regulation Schedule (Effective 24 March 2003).

Other Regulations & Policies

The Shrewsbury Conservation Commission administers G.L. c.131, Section 40, the Massachusetts Wetlands Act, but the town has not adopted a local wetlands bylaw pursuant to G.L. c.40, Section 21. The Board of Health oversees Title V and in that capacity, it reviews and approves

¹⁸ The Zoning Bylaw contains a number of footnotes to this table with additional requirements for most zoning districts. Though some districts seem very similar, the use regulations differ quite a bit. For example, Shrewsbury allows research facilities, medical buildings and professional offices in the Rural B (Residence) District, but not in Rural A.

applications for new septic systems and expansion or reconstruction of existing systems. Finally, Shrewsbury has two local historic districts pursuant to G.L. c.40C. One extends from the town center north along Route 140, and the second is the Artemus Ward estate on Main Street, owned by Harvard University. In these locations, the historic commission has authority to review and determine the appropriateness of exterior renovations.

Infrastructure & Utilities

Nearly all of Shrewsbury is served by public water and approximately 85% of the town has access to sewer service. The town also manages a major municipal enterprise, Shrewsbury Light and Cable, which provides town-wide electric, cable television and Internet access service to residents and businesses.

All of the town's drinking water is withdrawn from four groundwater wells. In 2002, Shrewsbury entered into a consent order with the Massachusetts Department of Environmental Protection (DEP) concerning authorized water withdrawal under the Water Management Act. Since sewer effluent is discharged to a treatment plant in a neighboring community, located in a different watershed, requests to increase Shrewsbury's water withdrawal permit are subject to the Inter-Basin Transfer Act. The town has had to institute a major public education program and a new water rate structure in order to compel residents and businesses to reduce their water consumption. DEP is requiring Shrewsbury to reach a very low rate of water consumption per capita before the state will consider increasing the water withdrawal permit. This condition has a significant impact on the town's ability to accommodate new growth of any kind: residential, commercial, industrial or institutional.

V. HOUSING SERVICES & LOCAL DEVELOPMENT CAPACITY

Shrewsbury has a local housing authority with a full-time executive director and a five-member board. The housing authority manages 239 units of public housing for elderly/disabled residents and 13 three-bedroom homes for low-income families. It also administers Section 8 rental vouchers that help eligible households afford to rent market-rate apartments or single-family homes. In addition, Shrewsbury has a 302-unit mixed-income rental development, Avalon Arbor, with one, two-, three- and four-bedroom apartments for family occupancy. Together, the housing authority's and AvalonBay's subsidized rental developments account for the 554 units of Chapter 40B housing that exist in Shrewsbury today.

Recently, the housing authority assisted with forming an independent non-profit housing development corporation. In 2002, the town established an economic development and industrial corporation (EDIC) by special act of the legislature. Known as the Shrewsbury Development Corporation, its primary charge is to assist the town with industrial development but the organization's charter also enables it to develop housing in Shrewsbury.

VI. STATE POLICY

The framework for state housing policy is fragmented in Massachusetts and as a result, state decision-making often seems inconsistent. The policy of greatest concern to cities and towns was established by the General Court in 1969: G.L. c.40B, Sections 20-23, commonly known as Chapter

40B. However, governors have occasionally issued executive orders that express administrative policy, usually through the award of discretionary state grants, and a number of quasi-public or independent agencies play a major role in state policy by exercising preferences in the distribution of loans, grants, technical assistance and other housing resources. Finally, housing interest groups and non-profit organizations influence state policy through lobbying, networking, conducting and publishing research, and providing technical support to developers and community advocates.

Chapter 40B

Chapter 40B provides a vehicle to create housing affordable to low- and moderate-income households – meaning households with incomes at or below 80% of area median income (AMI). The law has been controversial ever since it was enacted in 1969. Chapter 40B expresses a state policy that favors an adequate supply and an equitable distribution of low-income housing, yet by design, it is essentially a developer-driven, market-driven law. Chapter 40B presumes the existence of unmet local housing needs when less than 10% of a community's year-round housing stock is affordable to low- or moderate-income households. To meet these needs, the law provides for a streamlined permit known as the comprehensive permit, and it allows a Board of Appeals to waive zoning regulations that make it infeasible to develop low- and moderate-income housing. As a rule, communities that fall short of 10% must issue a comprehensive permit unless there is a compelling basis to deny one, and developers may appeal a denial or a conditional permit to the state Housing Appeals Committee (HAC). Usually they try to reach an agreement with town officials, but HAC's history of overturning local decisions has left a lasting, negative impression on communities.

Shrewsbury has many homes with low assessed values but they do not meet the Chapter 40B definition of affordable housing. In Massachusetts and most states across the country, the term "affordable housing" means homes made affordable to lower-income households by a deed restriction or covenant that restricts sale prices and rents as the units are vacated, sold or leased to new tenants. Shrewsbury's 554 Chapter 40B rental units translate into 4.39% of the town's Census 2000 year-round housing stock and 3.6% of all Chapter 40B units throughout the Worcester Primary Metropolitan Statistical Area (PMSA). Unlike many suburbs, Shrewsbury has no Chapter 40B homeownership units, i.e., homes available to moderate-income homebuyers.

Executive Order 418

Executive Order 418 was issued in January 2000. Many communities remain confused about the order's intent and how it relates to Chapter 40B, the comprehensive permit law. E.O. 418 promotes middle-class housing production, implies that local regulations are largely responsible for the state's housing shortage, and anticipates that increasing the housing supply will bring down housing costs.¹⁹ Despite some shared vocabulary, E.O. 418 and Chapter 40B differ

¹⁹ E.O. 418 is similar to an executive order issued by Governor Edward King in 1982. That order, E.O. 215, also directed state agencies to award grants preferentially to cities and towns that did not "unreasonably restrict new housing growth" with stringent zoning regulations. Governor A. Paul Cellucci, Jr., issued E.O. 418 as the Community Preservation Act (CPA) was gaining support from the legislature. E.O. 418, the unveiling of city and town build-out studies sponsored by EOEA, and CPA converged over a period of several months during 2000. As a result, the grant program created under E.O. 418 promotes integrated solutions to meeting a community's housing, open space, economic development and transportation needs. These four topic areas constitute the "core requirements" of a Community Development Plan. A city or town that has already completed local plans which address the four core requirements may propose other

significantly. The most important difference: E.O. 418 is an executive order, not a statute. It focuses on four state agencies with financial and technical assistance resources that are often important to cities and towns. E.O. 418 directs these agencies to give preference in the award of grants to communities that create new housing units affordable “to a broad range of incomes.”²⁰ Below are the homeownership and rental prices that qualify as “affordable” in Shrewsbury under E.O. 418. Significantly, the state relies on assessed values, not sales data, to identify new “affordable” homes. According to the state’s methodology, 8% of the single-family homes added to Shrewsbury’s tax roll between 2000-2002 meet the definition of an affordable housing unit under E.O. 418.²¹

Geographic Area	Median Family Income	Affordable Rent (100% Median)	Affordable Purchase Price (150% of Median)
Shrewsbury (Worcester PMSA)	\$58,400	\$1,460	\$285,592

Source: DHCD, “Instructions for Completing EO 418 FY 2004 Request For Housing Certification,” 13 July 2003.

Measures of Affordability

The legislature’s intent in enacting Chapter 40B was to assure a “fair-share” distribution of low-income housing across the state, but housing policy analysts do not define affordable housing need on the basis of a fixed 10% standard. The national definition of housing affordability assumes that a home is affordable to its owners if their monthly housing costs – a mortgage payment, property taxes, and house insurance – are equal to or less than 30% of their monthly gross income. Similarly, an apartment is considered affordable to tenants if they pay 30% of their gross monthly income, or less, for rent and utilities. Under these criteria, “affordable housing need” exists when households pay more than 30% of their gross income for housing costs. In housing industry parlance, they are classified as “housing-cost burdened.” According to Census 2000 data, 20.7% of all homeowners in the Worcester metropolitan area and 19.5% in Shrewsbury qualify as housing-cost burdened. Among Worcester-area renters, however, 34.1% pay more than 30% of their monthly income for rent and utilities. The condition is more pronounced in Shrewsbury, for 35.2% of the town’s renters meet the federal definition of cost burdened households.²² Among renters with incomes below \$50,000, the incidence of housing cost burden is significantly higher.

In a competitive real estate market like Shrewsbury’s, the cost of housing is a barrier for moderate-income households. The measure of “moderate-income” varies by household size and

ways to use E.O. 418 funds, but the community must show that the local plans are equivalent to a Community Development Plan. Shrewsbury pursued “equivalent plan” status and satisfied most of the state’s Community Development Plan requirements.

²⁰ Department of Housing and Community Development (DHCD), Department of Economic Development (DED), Executive Office of Environmental Affairs (EOEA), Executive Office of Transportation and Construction (EOTC).

²¹ Shrewsbury Assessor’s Office, FY02 Parcel Data, in EXCEL format [dbo_RptBankerTrades.xls], 22 April 2002.

²² Bureau of the Census, Census 2000, Summary File 3, Table DP-4: Worcester PMSA (MA Part Only), Shrewsbury.

region, but by federal definition, a household with annual income equal to or less than 80% of the regional median is moderate-income. Today, HUD estimates that about 25.2% of Shrewsbury's households are low or moderate income.²³

Affordability Gap

Almost everyone in the United States aspires to own a home, and since the 1930s federal policies have effectively subsidized homeownership – through income tax deductions for mortgage interest and real estate taxes, federal home mortgage insurance, and more recently, low-interest loans and downpayment grants that help credit-worthy moderate-income people make the transition from renter to homeowner. Often, home-seekers have more resources than a mortgage lender requires, such as a larger downpayment because they have equity to invest from the sale of their previous home, or because they received a gift or loan from family members. For at least two reasons, however, households with only their savings to put toward a downpayment find it more difficult to become homebuyers. First, while saving to purchase a house or condominium they must also pay rent, and because apartments are so scarce, market rents have become very expensive. Second, since the purchase price of a house usually determines how much the downpayment will be, first-time homebuyers end up saving toward a moving target: the sale price of homes in a very tight real estate market.

Under conventional loan underwriting standards, homebuyers at Shrewsbury's median household income of \$64,237 can afford a purchase price of about \$200,073. For them, the town's median single-family home sale price of \$310,000 translates into an "affordability gap" of \$109,927 – meaning the difference between the sale price and the purchase price they can afford. A sale price of \$310,000 is also high enough to preclude 61% of Shrewsbury's present households from purchasing a house in town if they were first-time homebuyers today.

In contrast, last year's median condominium sale price of \$139,450 suggests that Shrewsbury's condominium inventory is largely affordable to many homebuyers entering the market. Since Shrewsbury has fewer condominiums than single-family homes, the issue is whether the supply of affordably priced homeownership units is sufficient to meet local needs. During the 1990s, single-family homes sales in Shrewsbury occurred at a rate of 3.5 to 4 per condominium unit sold. Of the 66 single-family homes and condominiums that were on the market in Shrewsbury when the last census was conducted in April 2000, nearly 70% carried a seemingly low asking price of less than \$175,000.²⁴ Coincidentally, an extraordinary number of condominiums were sold in Shrewsbury that year. Between 1999-2002, however, Shrewsbury's median single-family home sale price increased by 46.3% and the median condominium price, by 22.4%.

Rental affordability is also a challenge for Shrewsbury. In virtually all communities, renters have somewhat lower incomes than homeowners and Shrewsbury is no exception. For the town as a whole, the median household income among tenants is \$40,259, an income that can support a first-time homebuyer purchase price of about \$125,391 or a monthly rent of \$1,006 (including utilities). Considering that the median gross rent paid by tenants is about \$850 per month, it would seem that Shrewsbury rents are affordable to renter households. However, of the 93 units

²³ U.S. Department of Housing and Urban Development (HUD), Community Planning and Development, "Census 2000 Low and Moderate Income Summary Data," available at <[http://www.hud.gov/office/cpd/community development/programs/index.cfm](http://www.hud.gov/office/cpd/community%20development/programs/index.cfm)> Select: Low and Moderate Income Estimates (accessed 23 February 2003).

²⁴ Bureau of the Census, Census 2000, Summary File 3, Table H-87.

that were vacant and available for rent in April 2000, 30% carried a rent of more than \$1,250 per month and a majority of the lower-rent units were subsidized apartments already rented but not yet occupied.

VII. KEY PLANNING ISSUES

Growth Impacts

- Shrewsbury is poised to attract family households because the town is desirable and conveniently located, and it offers many amenities, including a fine school system. Furthermore, new residential development is comprised almost entirely of single-family homes. As a result, most of the town's remaining residential growth will generate costly fiscal impacts and exacerbate the loss of housing affordability in Shrewsbury.
- In addition state-imposed requirements that Shrewsbury must meet in order to increase its water supply (p. 12), the School Department needs more classrooms and larger, modernized core facilities. Shrewsbury had one of the highest rates of K-12 enrollment growth in the Commonwealth during the 1990s. Pursuant to a school facilities study that was prepared for the School Committee in 1997, the town has initiated four major school improvement projects at a combined cost of more than \$100 million:
 - Floral Street School (Elementary, New Construction), 1997
 - Shrewsbury High School (New Construction), 2002
 - Parker Road (Addition), 2003
 - Oak Middle School (Renovations), 2004

Despite these recent investments, Shrewsbury does not have enough space at the Sherwood Middle School to house all of the town's fifth- and sixth-grade students. The building's design capacity is 704 students, but with portable classrooms it can accommodate 904. However, the Sherwood Middle School is already over design capacity and by fall, fifth- and sixth-grade enrollments will exceed the space available in the building *and* portable classrooms combined. In addition, the high school that opened only two years ago is expected to have severe space shortages before the end of the decade. Current enrollment projections indicate that by 2005, Shrewsbury will have more high school students than the building's classrooms were designed to hold.

Available Land

- Shrewsbury offers a much broader range of housing choice than most suburban communities in Massachusetts. The presence of choice has helped to retain a base of relatively affordable homes in Shrewsbury despite the escalation in local housing costs that has occurred since about 1995. There does not appear to be any vacant land left in Shrewsbury's multi-family or apartment zoning districts, and the zoning bylaw does not require affordable units in multi-family developments.
- Compared to many suburbs, Shrewsbury has a strikingly small inventory of town-owned open space. Its holdings consist of about 1,500 acres, including 760 +/- acres of protected

open space – conservation and parkland – and 680 acres purchased for future municipal facilities and schools.²⁵ Other land owned by the town is already developed for schools, town buildings, playing fields, water supplies and other public services. In light of Shrewsbury's modest protected open space and the significant amount of private land that remains available for new growth, the Master Plan argues for an increase in protected open space, to about 1,500 acres or 11% of the town. Disposing of town property is clearly not an option for local housing initiatives.

Housing Preservation

- Shrewsbury does not have regulatory tools or funding that can help to preserve its traditional mix of single-family homes sizes, features and price range. Major expansions or alterations to existing homes and demolition-rebuild projects attract new investment to the community. However, as these activities cause older homes to appreciate in value, they also remove lower-cost housing from the market.
- Avalon Arbor's affordable housing use restriction is slated to expire in 2007. Although the units may be protected from conversion to market-rate housing under the Ardemore decision, local officials have been unable to obtain a commitment from the current owner to preserve the project's affordability. In addition to the impact of market-rate conversion on 76 low-income families, Shrewsbury stands to lose 302 units on the Subsidized Housing Inventory.

Managing Chapter 40B

- Like most communities, Shrewsbury is very concerned about the potential for a large, unwanted comprehensive permit, yet the town has few tools at its disposal to address affordable housing through means other than a comprehensive permit.
- Chapter 40B limits the zoning power of cities and towns by authorizing waivers of zoning regulations that make affordable housing developments infeasible. When less than 10% of a community's homes are low- or moderate-income housing units, Chapter 40B effectively creates a system of variances by right: a qualified developer is entitled to a comprehensive permit unless there is substantial evidence of local needs that outweigh the need for affordable housing. The alternative to comprehensive permits is adopting zoning that encourages affordable housing production, such as by allowing higher-density uses in some areas or by requiring applicants to include affordable units in their developments.

However, DHCD policy creates a different status for affordable units in developments that comply with local zoning than for units in developments requiring a comprehensive permit. Specifically, DHCD considers 100% of the units in a comprehensive permit rental development and 25% of the units in a homeownership development as categorically eligible for the Subsidized Housing Inventory.²⁶ For rental developments built under a town's zoning bylaw, only the affordable units qualify for listing on the Subsidized Housing Inventory – even if 25% of the apartments are affordable – unless a community requests and receives a waiver of DHCD's regulations.

²⁵ Shrewsbury Master Plan, 33.

²⁶ The number of homeownership units exceeds 25% in developments that provide more than the minimum required Chapter 40B units.

According to DHCD, the rationale for counting all units in a comprehensive permit rental development is to encourage communities to provide more rental housing. Unfortunately, the policy creates a privileged position for Chapter 40B developments. It also requires more effort from local officials to use zoning instead of Chapter 40B because the only way they can obtain comparable credit for rental units is to apply for a waiver. Moreover, the policy gives preference to a system of developer-driven choices over land use planning. Shrewsbury has to decide if it wants to take the risk of adopting zoning that may produce fewer Subsidized Housing Inventory benefits than relying on comprehensive permits.

Unmet Housing Needs

- Among suburbs, Shrewsbury is unusual for its lack of Chapter 40B homeownership developments. About 84% of the communities in Massachusetts with affordable or mixed-income homeownership units are towns, not cities – and a majority of them are Eastern and Central Massachusetts suburbs.²⁷ One reason Shrewsbury has not attracted any Chapter 40B homeownership developments is that the town’s zoning bylaw is reasonable and town boards generally have good rapport with most local developers. As a result, the usual impetus for a comprehensive permit – local regulations that make land undevelopable – is not an issue in Shrewsbury, at least not yet. However, one of the consequences is that Shrewsbury offers homebuyers fewer choices than it could if the town had tools to create affordable homeownership units. Whether the town elects to use comprehensive permits or inclusionary zoning for this purpose, Shrewsbury should consider a strategy to provide some homeownership units affordable to moderate-income homebuyers.

VIII. HOUSING OPPORTUNITIES

Several opportunities exist for Shrewsbury to increase its affordable housing inventory, including:

- Zoning changes such as inclusionary housing, affordable units in mixed-use development, and modifying the present in-law apartment bylaw to allow affordable accessory units as of right.
- Preservation of existing affordable homes.
- Community partnerships, such as a local non-profit housing development corporation, the new Shrewsbury Development Corporation, qualified private developers, and a local Housing Partnership Committee.
- Chapter 40B.

Inclusionary Zoning & Subdivision Control

“Inclusionary zoning” applies broadly to zoning bylaws that induce or require the inclusion of affordable housing units in a conventional market development. Though many cities and towns in Massachusetts have adopted zoning incentives to encourage affordable units – including Shrewsbury – only a handful have adopted zoning that mandates the development of low- and

²⁷ Estimates by author, based on Chapter 40B Subsidized Housing Inventory (April 2002).

moderate-income housing. The limited number of mandatory inclusion bylaws stems from concern about their legality, but the Attorney General has approved several, though not all of the same design. Most planners and zoning attorneys in Massachusetts have concluded that inclusionary zoning will survive a challenge in the courts if it meets several standards, including:²⁸

- The bylaw should provide for some amount of development that does not trigger an affordable housing requirement. Developments that exceed the threshold would have to provide affordable units. An inclusionary bylaw may consist of regulations that apply to all residential development over a certain size, whether the use is allowed by right or by special permit, or the bylaw may require a special permit process for all residential development that meets the size threshold for providing affordable units.
- The bylaw must be reasonable and avoid the appearance of placing all economic responsibility for affordable housing production on private developers, especially small, local developers. An unduly low number of units “by right” or unreasonably restrictive special permit requirements increase the probability that the bylaw will be challenged and unsuccessful in court. Benefits that may attract applicants to apply for a special permit include a density bonus or a significant reduction in minimum lot size and less stringent road construction standards.
- The bylaw should provide more than one mechanism to meet the affordability requirement. For example, applicants might be given a choice to build the affordable units in their proposed development, to build the units on other land in town, to make a cash contribution to a local affordable housing fund, or to donate developable land to the town for a community-sponsored affordable housing development.

Zoning bylaws that rely on special permit incentives to build affordable units have been very unsuccessful in Massachusetts. An incentive-based bylaw offers a choice between development as of right and development by special permit, usually for parcels over a certain size. Shrewsbury’s Affordable Housing regulations are an example of incentive-based zoning. The failure of these types of bylaws can be explained by several factors that vary by community. Generally, the factors range from inadequate incentives to onerous permitting requirements, the prevalence of small-scale, custom developers, the characteristics of available land, the greater certainty of obtaining a comprehensive permit over applying for a special permit with no guarantees, and town boards that do not know how (or refuse) to negotiate.

Incentive-based affordable housing bylaws could be more successful if conventional development were made unattractive by very stringent subdivision control regulations and a “no-waiver” policy by the Planning Board. Given the choice to develop a standard subdivision by right or a mixed-income development by special permit, some developers will choose the latter if it is the only way they can gain relief from costly requirements for road construction, length of dead-end roads, cul-de-sac design, sidewalks, curb treatments and so forth. However, the Planning Board would have to adopt and stand by a “no waiver” policy for conventional subdivisions – or grant waivers only when a developer who could have used the special permit process agrees to create affordable housing units. This approach could be problematic because it

²⁸ See Mark Bobrowski, “Bringing Developers to the Table,” *Inclusionary Zoning in Massachusetts: Lessons Learned (Series)*, *NHC Affordable Housing Policy Review* Vol. 2 (January 2002): 7-9.

calls for subdivision standards that may conflict with a community's desire for low-impact, sensitively designed developments.

Mixed-Use Development

Mixed-use zoning, or the planned inclusion of residential, commercial and other uses in a given area, is an ideal way to provide affordable and market-rate housing close to shops and services. Its other advantages include reducing auto-dependent development patterns, focusing growth in areas with adequate facilities, and creating a distinctive sense of place. Moreover, the inclusion of residential uses usually increases the taxable value of land that is developed mainly for commerce.

The most obvious opportunity for this kind of initiative is the Fairlawn area, which extends generally from the intersection of Maple Avenue and Route 9 west to the Worcester city line. The area includes a large commercial development known as White City, a substantial amount of property owned by Spags, and an assortment of smaller commercial and mixed-use properties along Route 9 and adjacent side streets. Some neighborhoods adjacent to the Fairlawn area also have a number of older homes with considerably lower assessments than the town-wide median. For economic development, housing and environmental reasons, Shrewsbury should consider changing the zoning framework for the Fairlawn area and its adjacent neighborhoods. Doing so would be consistent with the Shrewsbury Master Plan and the major recommendations of the town's Community Development Plan.

Accessory Apartments

Since the mid-1980s, Shrewsbury has allowed "in-law" apartments by special permit from the Zoning Board of Appeals. The Zoning Bylaw defines "in-law apartment" this way: "A portion of a dwelling providing a separate housekeeping unit to be occupied by not more than three (3) persons related (by blood or marriage) to the principal resident." In Shrewsbury, "in-law" literally means "relatives," a restriction that is not uncommon in suburban zoning bylaws. The regulations may benefit some households, but they offer no relief to elderly residents who may need a modest amount of rental income in order to afford to remain in their homes.

To encourage accessory apartments that meet local needs and qualify for listing on the Subsidized Housing Inventory, the town could consider allowing affordable apartments as of right while maintaining access to conventional accessory apartments by special permit. DHCD regulations recognize accessory apartments as Chapter 40B units if the apartments are approved under a local zoning bylaw, occupied by low- or moderate-income people and secured by a long-term affordable housing use restriction. Owing to the unique nature of accessory apartments, DHCD allows the affordable housing use restriction to be revocable upon sale of the residence.

Housing Preservation

Shrewsbury's existing housing inventory provides a window into the culture and social norms of a town that once depended on a range of households, incomes and employment. At the same time, the inventory's historic mix of housing types and styles has begun to diminish as older homes become candidates for major alteration/expansion or demolition/rebuild projects. A visual inspection of older Shrewsbury neighborhoods suggests that the likelihood of demolition or substantial reconstruction is greatest among homes built during the 20th century interwar period: properties for which the value of the land parcel often outweighs the value of the improvements, i.e., the home itself. To preserve a mix of homes within the established residential

base, Shrewsbury may want to consider several strategies because one technique alone is generally ineffective:

- Adopt a demolition delay bylaw that applies to whole or partial demolition of any building over a certain age, except structures that present a public health or safety hazard as determined by the building commissioner.
- Adopt zoning that provides options to make preserving older residential buildings economically feasible. For example, the town could allow single-family to two- or multi-family conversions as of right in any residential district if the conversion produces one or more use-restricted affordable housing units, or by special permit if the conversion (a) produces market housing units or (b) requires waivers from the regulations set for as-of-right projects.
- Establish and implement a housing production plan that targets federal, state and local funds (e.g., inclusionary zoning fees) to acquire small homes and restrict them to low- and moderate-income occupancy, thereby contributing to the town's Chapter 40B inventory without building new housing units.

Partnerships

The Shrewsbury Housing Authority recently assisted with forming a non-profit housing development corporation. In addition, last year the town established the Shrewsbury Development Corporation, a home-rule EDIC, which is chartered to carry out not only commercial and industrial development but also, residential development and preservation projects. These organizations could be invaluable to the town as agents of local initiative developments: affordable housing created by the town.

Partnerships with landowners and private developers are key to the success of any affordable housing strategy. Private developers can bring resources to the table that communities do not have at their disposal, and they can respond to potential development opportunities more rapidly because local governments are constrained by procurement and public finance regulations. Shrewsbury's recent experience with AvalonBay Communities, which plans to build a 283-unit rental development on U.S. Route 20, is an example of a public-private partnership for affordable housing development. Finally, the town needs to re-establish its Housing Partnership Committee. Shrewsbury currently does not have an official body that focuses on housing – affordability, suitability or condition.

Chapter 40B

Amending a zoning bylaw is difficult under the best of circumstances; amending a zoning bylaw to create affordable housing options is even more difficult. As a result, communities need ways to use Chapter 40B to their advantage. There are several ways to qualify affordable housing units for inclusion in the state's Subsidized Housing Inventory. In addition to a traditional comprehensive permit, communities can create low-income housing through a variety of techniques such as the zoning recommendations outlined above, by "creating" affordable units from existing homes, e.g., with inclusionary zoning revenue to buy down and deed-restrict lower-cost homes, or by developing units through a Local Initiative Program (LIP) comprehensive permit that has no cash subsidy from a state or federal housing program. Shrewsbury has recently engaged in planning a LIP project with AvalonBay Communities, Inc., for 283 units of rental housing.

Local officials throughout Massachusetts see Chapter 40B as a threat and to some extent they are right. The law promotes a regionally equitable distribution of low-income housing across the state, but it places an unequal impact on towns like Shrewsbury, which has absorbed growth excluded by other communities that zoned to prevent development. Regardless of the disdain that local governments have for Chapter 40B, however, comprehensive permits will remain the primary vehicle for affordable housing development in most communities. Unless the legislature overhauls the system of affordable housing production by replacing Chapter 40B with a more effective Zoning Act, cities and towns will be forced to work with a less-than-optimal permitting process.

Shrewsbury would benefit from taking two steps to manage Chapter 40B. First, the town should submit an affordable housing production plan to DHCD for approval under a relatively new set of Chapter 40B regulations (effective December 2002). It is important to emphasize that Shrewsbury will not be able to meet the planned production standards of 760 CMR 31.07 (1((i) without planning for and issuing comprehensive permits. Second, the town should charge its re-established Housing Partnership Committee with developing affordable housing guidelines for adoption by the Board of Selectmen and Planning Board.

Affordable housing production plan. The new Chapter 40B regulations encourage communities to adopt and implement a housing production plan. The plan must strive for an annual affordable housing increase equal to .75 of 1% of a community's total year-round housing inventory. DHCD has issued general guidelines for the content of a housing plan, but the production plan regulations are more useful for understanding what communities must do to protect themselves from a large, unwanted comprehensive permit.

- A community that produces new units equal to .75 of 1% of its year-round housing stock may deny a comprehensive permit for up to 12 months.
- A community that produces new units equal to 1.5% of its year-round housing stock in a one-year period may deny a comprehensive permit for up to 24 months.

The housing plan may not be used as a basis to deny a comprehensive permit unless a community has already met the .75% threshold. In Shrewsbury, the housing production plan requirement is a minimum of 95 Chapter 40B units per year, but permitting 190 units or more would be the equivalent of a two-year window to plan for future affordable housing developments.

Affordable housing guidelines. Chapter 40B creates opportunities for negotiated development, a process that differs significantly from conventional permitting. A comprehensive permit policy helps to establish the framework for community-developer negotiations. While Chapter 40B places constraints on local officials, it does not prevent them from exploring trade-offs, issuing conditional permits that preserve a project's feasibility, or working with applicants to reduce the scale of a proposed development without making it uneconomic to build.

To negotiate effectively, communities must be realistic, reasonable and clear about what they want from a Chapter 40B development. When they adopt a comprehensive permit policy, they should anticipate the ways that it may be used, and by whom. From a municipality's point of view, the policy should establish for everyone - town boards, developers, funding agencies and appellate jurisdictions - the boundaries of negotiation. This means that local officials must be equally clear about negotiable and non-negotiable considerations, and that town boards should

not work at cross-purposes. A comprehensive permit policy should provide unambiguous guidance on the following:

- Community housing needs and priorities.
- The policy's relationship to community planning goals and other community needs.
- Development preferences: types of housing, location, density and scale, intensity of use, architectural design and site plan standards, other public benefits.
- Performance standards: desired percentage(s) of affordability, income targets, term of affordability, accessibility, minimization of land use conflicts.
- Expectations concerning development in environmentally sensitive areas.
- A definition of "local preference" so that developers can tailor their marketing plans to meet local needs.

IX. HOUSING PRODUCTION PLAN

According to the most recent Subsidized Housing Inventory (April 2002), Shrewsbury has a shortfall of 707 Chapter 40B units. Table 6 summarizes Shrewsbury's current inventory of affordable housing and highlights the role that Chapter 40B regulations play in any community's progress toward reaching 10%. The effect of each regulation is described below.

Table 6: Chapter 40B Implications for Shrewsbury

Census 2000 Year-Round Units: 12,606

<u>Chapter 40B Units</u>	<u>% Subsidized Base</u>	<u>Chapter 40B Gap</u>
554	4.39%	707
DHCD Regulations		
"Large-Scale Project "	"Recent Progress Rule"	"Planned Production"
<u>760 CMR 31.07 (1) (g)</u>	<u>760 CMR 31.07 (1) (d)</u>	<u>760 CMR 31.07 (1) (i)</u>
Project Cap	2.0%	0.75%
300	253	95

- The large-scale project cap is designed to buffer communities from major development impacts that they may be unable to absorb. Unless a community consents to a larger proposal, applicants for comprehensive permits may not submit a project that exceeds the thresholds set forth in 760 CMR 31.07(1)(g). In Shrewsbury, the large-scale project cap is equal to Chapter 40B 300 units.
- The recent progress rule is designed to recognize local efforts to work toward Chapter 40B's 10% low- or moderate-income housing minimum. A community that approves new low- or moderate-income units equal to or greater than 2% of its year-round housing stock may deny comprehensive permits for 12 months from the date that the units were permitted. Note: the recent-progress rule applies to all communities, regardless of whether they have established a local housing plan. In Shrewsbury, the 2% standard means 253 Chapter 40B units.

- Under 760 CMR 31.07(1)(i), a community with an approved housing plan may deny comprehensive permits if local officials implement the plan by producing new Chapter 40B units at an annual rate of .75 of 1% of the town's total housing inventory. In Shrewsbury, the .75% "planned production" standard is 95 units per year (rounded up). A community may obtain two years of relief from unwanted comprehensive permits by producing new Chapter 40B units equal to 1.5% of its total housing inventory in one year, i.e., 190 units in Shrewsbury.

Implementation

The attached implementation schedule assumes that Shrewsbury will increase its Chapter 40B inventory primarily by issuing periodic comprehensive permits for developments that approximate the large-scale project cap. The town expects to issue a comprehensive permit for Avalon Shrewsbury, a proposed, 283-unit rental development by AvalonBay Communities, Inc., between October-December 2004. The actual date of issuance will depend on the amount of time that DHCD needs to act on Shrewsbury's LIP application and the time the Board of Appeals needs to complete the public hearing process.

Shrewsbury should begin to plan for another moderate- to large LIP development between late-2004 and June 2005 in order to reach a target goal of permitting 275-300 units between October-December 2006. The effect of two Chapter 40B rental developments is a substantial decline in the town's Chapter 40B shortfall by 2007. While the town works toward the 10% statutory minimum in large-scale increments, however, Shrewsbury needs to take other steps to produce affordable homeownership units at a moderate pace of unit creation. Mechanisms to achieve this end should include:

- Re-establish the Housing Partnership Committee
- Amend the Zoning Bylaw by deleting the existing Section VII.K Affordable Housing and replacing it with a mandatory inclusionary housing bylaw. The bylaw should apply to all residential development over a specified size, e.g., 7 house lots or 7 dwelling units, and set a low- and moderate-income housing requirement of 10% for each project. It should also offer developers several ways to comply: including affordable units in the proposed development, providing them off-site, or paying a fee in lieu of units to an affordable housing fund.
- Submit a home rule petition to the General Court to establish an Affordable Housing Trust Fund so the town can segregate inclusionary housing fees from the general fund and restrict the revenue for a variety of affordable housing uses, e.g., new construction, preservation of existing low-cost homes, a first-time homebuyer program. Expenditures from the fund should be made in accordance with a general allocation plan approved by town meeting each year, and managed by the Town Manager in consultation with the Housing Partnership Committee.
- Amend the Zoning Bylaw by establishing a mixed-use overlay district in the Fairlawn area. The overlay district should include incentives for developers to provide affordable housing in conjunction with residential uses. (See Community Development Plan, "Economic Development.")
- Amend the Zoning Bylaw to allow affordable accessory apartments as of right while retaining the existing special permit provisions for in-law apartments.

APPROXIMATE SCHEDULE OF AFFORDABLE HOUSING PRODUCTION

Shrewsbury

Table 7: Housing Production Plan											
Calendar Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
New Market Units		184	127	140	130	130	130	125	125	125	125
Chapter 40B Unit Goals					283	0	305	5	255	5	150
Total Year-Round Homes	12,606	12,790	12,917	13,057	13,470	13,600	14,035	14,165	14,545	14,675	14,950
Chapter 40B Inventory	554	554	554	554	837	837	1,142	1,147	1,402	1,407	1,557
10% Year-Round Homes	1,261	1,279	1,292	1,306	1,347	1,360	1,404	1,417	1,455	1,468	1,495
Gap	707	725	738	752	510	523	262	270	53	61	-62
Required # for .75 of 1%	95	96	97	98	101	102	105	106	109	110	N/A
Required # for 1.5%	190	193	195	197	203	205	212	214	220	222	N/A
Impact of Production Goal					24 mos.		24 mos.		24 mos.		>10%

NOTES

- (1) New market units estimated for CY 2003-2010 assumes that recent decline in building permits will stabilize.
- (2) Chapter 40B developments projected for 2004, 2006, 2008 and 2010 assume comprehensive permits for new rental units.
- (3) "24 mos" refers to the maximum period in which the town may deny a comprehensive permit because it has met its planned production goals.
- (4) 5 units in 2006, and 5 units each year thereafter, assume affordable accessory units and preservation units financed with inclusionary bylaw fees paid by developers.
- (5) "N/A" at 2010 assumes Chapter 40B gap has been eliminated.
- (6) Actual accomplishments may differ from Table 7, depending on market conditions. For example, Shrewsbury may issue permits for a lesser number of Chapter 40B units one year and compensate for the difference by issuing additional permits the next year, as long as the production rate does not fall below a minimum of .75 of 1% per year. A comprehensive permit or a special permit issued for new low- or moderate-income housing units equal to 1.5% in one year should be deemed consistent with the plan regardless of when it occurs.

X. AFFORDABLE HOUSING USE RESTRICTION

All low- and moderate-income homeownership units will be subject to a use restriction, recorded at the Registry of Deeds, in order to protect affordability for the maximum period allowed by law. The town's restriction will be comparable to the Deed Rider developed by DHCD for the Local Initiative Program, subject to any modifications deemed necessary by Town Counsel. For units that will be nominated for the Subsidized Housing Inventory through the "LIP Units Only" process, no modifications will be made to the use restriction without prior consultation with DHCD.

Multi-family rental developments will be subject to a regulatory agreement in a form acceptable to the Town and DHCD.

FOR SAMPLE PURPOSES ONLY
LOCAL INITIATIVE PROGRAM DEED RIDER

For Ownership Project

(annexed to and made part of that certain deed (the "Deed"))

from ("Grantor")

to ("Grantee")

dated , 200 .)

WITNESSETH

WHEREAS, pursuant to M.G. L. c. 40B, §§20-23 (the "Act") and the final report of the Special Legislative Commission Relative to Low and Moderate Income Housing Provisions issued in April, 1989, regulations have been promulgated at 760 CMR 45.00 et seq. (the "Regulations") which establish the Local Initiative Program ("LIP");

WHEREAS, the Department of Housing and Community Development, the "Successor Agency" to the Executive Office of Communities and Development of the Commonwealth of Massachusetts, duly organized and existing pursuant to Chapter 204 of the Acts of 1996, administers the LIP Program on behalf of the Commonwealth;

WHEREAS, it is the purpose of the LIP Program to give cities and towns greater flexibility in their efforts to provide affordable housing to households having low and moderate incomes.

WHEREAS, the City/Town of (the "Municipality") acting by and through its Chief Elected Official (as that term is defined in the Regulations) has elected to participate in the LIP Program:

WHEREAS, DHCD has determined that the rights and restrictions granted herein to DHCD and to the Municipality serve the public's interest in the creation and retention of affordable housing for persons and families of low and moderate income and in the restricting of the resale price of property in order to assure its affordability by future low and moderate income purchasers;

WHEREAS, pursuant to the LIP Program, eligible purchasers such as the Grantee are given the opportunity to purchase certain property at a discount of the property's appraised fair market value if the purchaser agrees to convey the property on resale to an eligible purchaser located by the Municipality or DHCD, to the Municipality, or to DHCD for a "Maximum Resale Price" equal to the lesser of (a) the appraised fair market value of the property at the time of resale, as determined by DHCD, multiplied by the applicable Discount Rate (as hereinafter defined), or (b) the amount equal to the purchase price for which a credit-worthy eligible purchaser earning seventy percent (70%) of area median income could obtain mortgage financing (based on underwriting assumptions used by bona fide mortgage lenders at the time of resale) and assuming that such an eligible buyer will not spend more than thirty percent (30%) of household income on the payment of principal, interest, real estate taxes, condominium or homeowner's fees, mortgage insurance, and homeowner's insurance premiums), as shall be calculated by DHCD in its sole discretion. The term "bona fide mortgage lenders" shall mean mortgage lenders offering thirty (30) year fixed rate mortgages with interest rates no greater than conforming, conventional market rate mortgages. Notwithstanding anything in this Deed Rider, the Maximum Resale Price shall not be less than the purchase price that the Grantee paid for the Property plus extraordinary capital expenses paid out-of-pocket by Grantee prior to closing,

provided that DHCD and the Municipality shall have given written authorization for incurring such expense prior to the expense being incurred, and plus any necessary marketing expenses as may have been approved by DHCD and the Municipality.

WHEREAS, the Grantor and the Grantee are participating in the LIP Program, and in accordance with the LIP Program the Grantor is conveying that certain real property more particularly described in the Deed ("Property") to the Grantee at a consideration which is less than the appraised value of the Property; and

WHEREAS, a Discount Rate equal to % of the appraised fair market value of the Property (the "Discount Rate") as determined by DHCD is hereby assigned to the Property, and such Discount Rate shall be used in determining the Maximum Resale Price of the Property (UPON ITS DETERMINATION OF THE DISCOUNT RATE FOR THE PROPERTY, DHCD WILL ISSUE TO THE GRANTEE A CERTIFICATE IN RECORDABLE FORM (THE "DISCOUNT RATE CERTIFICATE") WHICH STATES THE APPROVED DISCOUNT RATE FOR THE PROPERTY AND WHICH SHALL BE RECORDED WITH THE FIRST DEED OF THE PROPERTY.);

NOW THEREFORE, as further consideration from the Grantee to the Grantor, DHCD and the Municipality for the conveyance of the Property at a discount in accordance with the LIP Program, the Grantee, his heirs, successors and assigns, hereby agrees that the Property shall be subject to the following rights and restrictions which are hereby imposed for the benefit of, and shall be enforceable by, the Grantor's assignees and designees, the Director of the Department of Housing and Community Development, or its successors, assigns, agents and designees ("Director") and the Municipality, acting by and through its Chief Elected Official.

1. Right of First Refusal: (a) When the Grantee or any successor in title to the Grantee shall desire to sell, dispose of or otherwise convey the Property, or any portion thereof, the Grantee shall notify the Director and the Municipality in writing of the Grantee's intention to so convey the property ("Notice"). The Notice shall contain an appraisal of the fair market value of the Property (assuming the Property is free of all restrictions set forth herein) acceptable to the Director and the Municipality prepared by a real estate appraiser acceptable to the Director and the Municipality and qualified to appraise property for secondary mortgage markets and recognized as utilizing acceptable professional appraisal standards in Massachusetts, and the Notice shall set forth the Discount Rate and the Maximum Resale Price of the Property. Within thirty (30) days of the giving of the Notice by the Grantee, the Municipality shall notify the Grantee in writing (with a copy to the Director) as to whether the Municipality is proceeding to locate an eligible purchaser of the Property or the Municipality shall exercise its right of first refusal to purchase the Property (the Municipality's Notice.) If the Municipality's Notice states that the Municipality is not proceeding to locate an eligible purchaser and that the Municipality shall not exercise its right of first refusal to purchase the Property, or if the Municipality fails to give the Municipality's Notice within said thirty (30) days then, and only under such circumstances, the Director may, at any time from the thirty first (31st) day after the giving of the Notice to and including the fortieth (40th) day after the giving of the Notice, notify the Grantee in writing (with a copy to the Municipality) as to whether the Director is proceeding to locate an eligible purchaser of the Property or whether the Director shall exercise its right of first refusal, to purchase the Property (the Director's Notice".) For the purpose of this Deed Rider, an "eligible purchaser" shall mean a purchaser who satisfies the criteria set forth in the LIP Program guidelines in effect at the time the Municipality or the Director locates such purchaser, and who, if located by the Municipality, is ready and willing to purchase the Property within ninety (90) days after the Grantee gives the Notice, or who, if located by the Director, is ready and willing to

purchase the Property between ninety (90) days and one hundred five (105) days after the Grantee gives the Notice.

(b) In the event that (i) the Municipality's Notice states that the Municipality does not intend to proceed to locate an eligible purchaser and that the Municipality does not intend to exercise its right of first refusal to purchase the Property, or the Municipality fails to give the Municipality's Notice within the time period specified above and (ii) the Director's Notice states that the Director does not intend to proceed to locate an eligible purchaser and that the Director does not intend to exercise its right of first refusal to purchase the Property, or the Director fails to give the Director's Notice within the time period specified above, the Grantee may convey the Property to any third party at fair market value, free of all restrictions set forth herein, provided, however, all consideration and payments of any kind received by the Grantee for the conveyance of the Property to the third party which exceeds the Maximum Resale Price shall be immediately and directly paid to the Municipality. Upon receipt of this excess amount, if any, the Municipality, acting by and through its Chief Elected Official, and the Director or the Director's designee shall issue to the third party a certificate in recordable form (the "Compliance Certificate") indicating the Municipality's receipt of the excess amount, if applicable, or indicating that no excess amount is payable, and stating that the Municipality and the Director have each elected not to exercise its right of first refusal hereunder and that all rights, restrictions, agreements and covenants set forth in this Deed Rider shall be henceforth null and void. This Compliance Certificate is to be recorded in the appropriate Registry of Deeds or registered with the appropriate Registry District of the Land Court and such Compliance Certificate may be relied upon by the then owner of the Property and by third parties as constituting conclusive evidence that such excess amount, if any, has been paid to the Municipality, or that no excess amount is payable, and that the rights, restrictions, agreements and covenants set forth herein are null and void. The sale price to a third party shall be subject to DHCD's approval, with due consideration given to the value set forth in the appraisal accompanying the Notice. DHCD's approval of the sale price shall be evidenced by its issuance of this Compliance Certificate.

(c) In the event the Municipality, within said thirty (30) day period, notifies the Grantee that the Municipality is proceeding to locate an eligible purchaser or that the Municipality shall exercise the Municipality's right of first refusal to purchase the Property, the Municipality may locate an eligible purchaser, who shall purchase the Property at the Maximum Resale Price subject to Deed Rider satisfactory in form and substance to DHCD, within ninety (90) days of the date that the Notice is given or the Municipality may purchase the Property itself at the Maximum Resale Price within ninety (90) days of the date that the Notice is given. If the Municipality shall fail to locate an eligible purchaser who purchases the Property within ninety (90) days of the date that the Notice is given, and if the Municipality fails to purchase the Property itself within said period, then, and only in such circumstances the Director, without any additional notice to the Grantee, may between ninety one (91) days of the date that the Notice is given and one hundred five (105) days of the date that the Notice is given, purchase the Property itself at the Maximum Resale Price, or locate an eligible purchaser, who shall between ninety one (91) days and one hundred five (105) days of the date that the Notice is given purchase the Property at the Maximum Resale Price, subject to a Deed Rider satisfactory in form and substance to DHCD. If more than one eligible purchaser is located by the Municipality, the Municipality shall conduct a lottery or other like procedure approved by DHCD to determine which eligible purchaser shall be entitled to the conveyance of the Property. If more than one eligible purchaser is located by the Director, the Director shall conduct a lottery or other like procedure in the

Director's sole discretion to determine which eligible purchaser shall be entitled to the conveyance of the Property.

(d) If an eligible purchaser is selected to purchase the Property, or if the Municipality or the Director elects to purchase the Property, the Property shall be conveyed by the Grantee to such eligible purchaser or to the Municipality or the Director as the case may be, by a good and sufficient quitclaim deed conveying a good and clear record and marketable title to the Property free from all encumbrances except (i) such taxes for the then current year as are not due and payable on the date of delivery of the deed (ii) any lien for municipal betterments assessed after the date of the Notice, (iii) provisions of local building and zoning laws, (iv) all easements, restrictions, covenants and agreements of record specified in the Deed from the Grantor to Grantee, (v) a Regulatory Agreement among DHCD, the Municipality and [the Project Sponsor] dated _____ and recorded with the _____ Registry of Deeds in Book _____, Page _____, (the "Regulatory Agreement") or any successor regulatory agreement entered into between DHCD and the Municipality pursuant to the provisions of Section 16 of the Regulatory Agreement, (vi) such additional easements, restrictions, covenants and agreements of record as the Municipality and the Director consent to, such consent not to be unreasonably withheld or delayed, and (vii) in the event that the Property is conveyed to an eligible purchaser, a Deed Rider satisfactory in form and substance to DHCD which the Grantee hereby agrees to annex to said deed.

(e) Said deed shall be delivered and the purchase price paid (the "Closing") at the Registry of Deeds in the County where the Property is located, or at the option of the eligible purchaser (or the Municipality or the Director, as the case may be, if the Municipality or the Director is purchasing the Property), exercised by written notice to the Grantee at least five (5) days prior to the delivery of the deed, at such other place as the eligible purchaser (or the Municipality or the Director, as the case may be, if the Municipality or the Director is purchasing the Property) may designate in said notice. The Closing shall occur at such time and on such date as shall be specified in a written notice from the eligible purchaser (or the Municipality or the Director, as the case may be, if the Municipality or the Director is purchasing the Property) to the Grantee, which date shall be the least five (5) days after the date on which such notice is given, and if the eligible purchaser is located by the Municipality, or if the Municipality is purchasing the Property no later than ninety (90) days after the Notice is given by the Grantee, or if the eligible purchaser is located by the Director, or if the Director is purchasing the Property, no earlier than ninety one days (91) days after the Notice is given by the Grantee and no later than one hundred five (105) days after the Notice is given by the Grantee.

(f) To enable Grantee to make conveyance as herein provided, Grantee may if he so desires at the time of delivery of the deed, use the purchase money or any portion thereof to clear the title of any or all encumbrances or interests; all instruments so procured to be recorded simultaneously with the delivery of said deed.

(g) Water and sewer charges and taxes for the then current tax period shall be apportioned and fuel value shall be adjusted as of the date of Closing and the net amount thereof shall be added to or deducted from, as the case may be, the purchase price payable by the eligible purchaser or by the Municipality or the Director.

(h) Full possession of the Property free from all occupants is to be delivered at the time of the Closing, the Property to be then in the same condition as it is in on the date hereof, reasonable wear and tear only excepted.

(i) If Grantee shall be unable to give title or to make conveyance as above stipulated, or if any change of condition in the Property not included in the above exception shall occur, then Grantee shall be given a reasonable time not to exceed thirty (30) days after the date on which the Closing was to have occurred in which to remove any defect in title or to restore the Property to the condition hereby provided for. The Grantee shall use best efforts to remove any such defects in the title whether voluntary or involuntary and to restore the Property to the extent permitted by insurance proceeds or condemnation award. The Closing shall occur fifteen (15) days after notice by Grantee that such defect has been cured or that the Property has been so restored. The eligible purchaser (or the Municipality or the Director, as the case may be, if the Municipality or the Director is purchasing the Property) shall have the election, at either the original or any extended time for performance, to accept such title as the Grantee can deliver to the Property in its then condition and to pay therefore the purchase price without deduction, in which case the Grantee shall convey such title, except that in the event of such conveyance in accordance with the provisions of this clause, if the Property shall have been damaged by fire or casualty insured against or if a portion of the Property shall have been taken by a public authority, then the Grantee shall, unless the Grantee has previously restored the Property to its former condition, either:

(i) pay over or assign to the eligible purchaser or the Municipality or the Director as the case may be, on delivery of the deed, all amounts recovered or recoverable on account of such insurance or condemnation award less any amounts reasonable expended by the Grantee for the partial restoration, or

(ii) if a holder of a mortgage on the Property shall not permit the insurance proceeds or the condemnation award or part thereof to be used to restore the Property to its former condition or to be so paid over or assigned, give to the eligible purchaser or to the Municipality or the Director, as the case may be, a credit against the purchase price, on delivery of the deed, equal to said amounts so retained by the holder of the said mortgage less any amounts reasonable expended by the Grantee for any partial restoration.

(j) If the Municipality fails to locate an eligible purchaser who purchases the Property within ninety (90) days after the Notice is given, and the Municipality does not purchase the Property during said period, and the Director fails to locate an eligible purchaser who purchases the Property between ninety one (91) days and one hundred five (105) days after the Notice is given, and the Director does not purchase the Property within said period, then following expiration of one hundred five (105) days after the Notice is given by Grantee, the Grantee may convey the Property to any third party at fair market value, free and clear of all rights and restrictions contained herein, including, but not limited to the Maximum Resale Price, provided, however, all consideration and payments of any kind received by the Grantee for the conveyance of the Property to the third party which exceeds the Maximum Resale Price shall be immediately and directly paid to the Municipality. Upon receipt of this excess amount, if any, the Municipality and the Director shall issue to the third party a Compliance Certificate in recordable form indicating the Municipality's receipt of the excess amount, if any, and indicating that the Municipality and the Director have each elected not to exercise its right to locate an eligible purchaser and its right of first refusal hereunder and that all rights, restrictions, agreements and covenants contained herein are henceforth null and void. This Compliance Certificate is to be recorded in the appropriate Registry of Deeds or registered with the appropriate Registry District of the Land Court and such Compliance Certificate may be relied upon by the then owner of the Property and by third parties as constituting conclusive evidence that such excess amount, if any,

has been paid to the Municipality and that the rights, restrictions, agreements and covenants set forth herein are null and void. The sale price to a third party shall be subject to DHCD's approval, with due consideration given to the value set forth in the appraisal accompanying the Notice. DHCD's approval of the sale price shall be evidenced by its issuance of this Compliance Certificate.

2. Resale and Transfer Restrictions: Except as otherwise stated herein, the Property or any interest, therein shall not at any time be sold by the Grantee, the Grantee's successors and assigns, and no attempted sale shall be valid, unless:

(a) the aggregate value of all consideration and payments of every kind given or paid by the eligible purchaser (as located and defined in accordance with Section 1 above) or the Municipality or the Director, as the case may be, to the then owner of the Property for and in connection with the transfer of such Property, is equal to or less than the Maximum Resale Price for the Property, and (i) if the Property is conveyed to an eligible purchaser, unless a certificate (the "Eligible Purchaser Certificate") is obtained and recorded, signed and acknowledged by the Director or the Director's designee and the Municipality acting by and through its Chief Elected Official which Eligible Purchaser Certificate refers to the Property, the Grantee, the eligible purchaser thereof, and the Maximum Resale Price therefor, and states that the proposed conveyance, sale or transfer of the Property to the eligible purchaser is in compliance with the rights, restrictions, covenants and agreements contained in this Deed Rider, and unless there is also recorded a new Deed Rider executed by the eligible purchaser which new Deed Rider the Eligible Purchaser Certificate certifies is satisfactory in form and substance to DHCD and the Municipality; (ii) if the Property is conveyed to the Municipality unless a Certificate (the "Municipal Purchaser Certificate") is obtained and recorded, signed and acknowledged by the Director or the Director's designee and by the Municipality, acting by and through its Chief Elected Official, which Municipal Purchaser Certificate refers to the Property, the Grantee, the Municipality, and the Maximum Resale Price for the Property and states that the proposed conveyance, sale or transfer of the Property to the Municipality is in compliance with the rights, restrictions, covenants and agreements contained in this Deed Rider; or

(b) pursuant to Sections 1(b) or 1(f), any amount in excess of the Maximum Resale Price which is paid to the Grantee by a purchaser who is permitted to buy the Property pursuant to Sections 1(b) or 1(f), is paid by the Grantee to the Municipality, and the Director or the Director's designee and the Municipality acting by and through its Chief Elected Official execute and deliver a Compliance Certificate as described in Section 1(b) or 1(f) for recording with the appropriate registry of deeds or registry district.

(c) Any good faith purchaser of the Property, any lender or other party taking a security interest in such Property and any other third party may rely upon a Compliance Certificate or an Eligible Purchaser Certificate or a Municipal Purchaser Certificate referring to the Property as conclusive evidence of the matters stated therein and may record such Certificate in connection with conveyance of the Property, provided, in the case of an Eligible Purchaser Certificate and a Municipal Purchaser Certificate the consideration recited in the deed or other instrument conveying the Property upon such resale shall not be greater than the consideration stated in the Eligible Purchaser Certificate or the Municipal Purchaser Certificate as the case may be. If the Property is conveyed to the Director, the acceptance by the Director of a deed of the Property from the Grantee and the recording of such deed shall be deemed conclusive evidence that all rights, restrictions, covenants and agreements set forth in this Deed Rider have been complied with and no certificate to that effect shall be necessary to establish the validity of such

conveyance. If the Property is conveyed to the Municipality, any future sale of the Property by the Municipality shall be subject to the provisions of Section 4 of the Regulatory Agreement.

(d) Within ten (10) days of the closing of the conveyance of the Property from Grantor to Grantee, the Grantee shall deliver to the Municipality and to the Director a true and certified copy of the Deed of the Property, together with information as to the place of recording thereof in the public records. Failure of the Grantee, or Grantee's successors or assigns to comply with the preceding sentence shall not affect the validity of such conveyance.

(f) The Grantee understands and agrees that nothing in this Deed Rider or the Regulatory Agreement in any way constitutes a promise or guarantee by DHCD or the Municipality that the Grantee shall actually receive the Maximum Resale Price for the Property or any other price for the Property.

3. Restrictions Against Leasing and Junior Encumbrances: The Property shall not be leased, refinanced, encumbered (voluntarily or otherwise) or mortgaged without the prior written consent of the Director and the Municipality, provided, however, that this provision shall not apply to a first mortgage granted in connection with this conveyance. Any rents, profits, or proceeds from any transaction described in the last preceding sentence which transaction has not received the prior written consent of the Director and the Municipality shall be paid to and be the property of the Municipality. In the event that the Director and the Municipality in the exercise of their absolute discretion consent to any such lease, refinancing, encumbrance or mortgage, it shall be a condition to such consent that all rents, profits or proceeds from such transaction which exceed the carrying costs of the Property as determined by DHCD and the Municipality in their sole discretion shall be paid to and be the property of the Municipality.

4. Rights of Mortgagees: (a) Notwithstanding anything herein to the contrary, but subject to the next succeeding paragraph hereof, if the holder of record (other than the Grantor or any person related to the Grantor by blood, adoption, or marriage, or any entity in which the Grantor has a financial interest) of a first mortgage granted to a state or national bank, state or federal savings and loan association, cooperative bank, mortgage company, trust company, insurance company or other institutional lender or its successors or assigns (other than the Grantor, or any person related to the Grantor by blood, adoption or marriage, or any entity in which the Grantor has a financial interest) shall acquire the Property by reason of foreclosure or similar remedial action under the provisions of such mortgage or upon conveyance of the Property in lieu of foreclosure, and provided that the holder of such mortgage has given DHCD and the Municipality not less than (60) days prior written notice of its intention to foreclose upon its mortgage or to accept a conveyance of the Property in lieu of foreclosure, the rights and restrictions contained herein shall not apply to such holder upon such acquisition of the Property, any purchaser (other than the Grantor or any person related to the Grantor by blood, adoption or marriage, or any entity in which the Grantor has a financial interest) of the Property at a foreclosure sale conducted by such holder, or any purchaser (other than the Grantor or any person related to the Grantor by blood, adoption or marriage, or any entity in which the Grantor has a financial interest) of the Property from such holder, and such Property shall thereupon and thereafter be free from all such rights and restrictions.

(b) In the event such holder, conducts a foreclosure or other proceeding enforcing its rights under such mortgage and the Property is sold for a price in excess of the greater of (i) the sum of the outstanding principal balance of the note secured by such mortgage plus all future advances, accrued interest and all reasonable costs and expenses which the holder is entitled to recover

pursuant to the terms of the mortgage and (ii) the Maximum Resale Price applicable on the date of the sale, such excess shall be paid to the Municipality in consideration of the loss of the value and benefit of the rights and restrictions herein contained held by the Director and the Municipality and released by the Director and the Municipality pursuant to this section in connection with such proceeding (provided, that in the event that such excess shall be so paid to the Municipality by such holder, the Municipality shall thereafter indemnify such holder against loss or damage to such holder resulting from any claim made by the mortgagor of such mortgage to the extent that such claim is based upon payment of such excess by such holder to the Municipality in accordance herewith, provided that such holder shall give the Municipality prompt notice of any such claim and shall not object to intervention by the Municipality in any proceeding relating thereto.) In order to determine the Maximum Resale Price of the Property at the time of foreclosure or other proceeding, the Municipality or DHCD may, at its own expense, obtain an appraisal of the fair market value of the Property satisfactory to such holder. The Maximum Resale Price shall be determined as set forth above in this Deed Rider. If the holder disagrees with such appraised value, the holder may obtain a second appraisal, at the holder's expense and the Maximum Resale Price shall be equal to the average of the two appraisal amounts multiplied by the Discount Rate. To the extent the Grantee possesses any interest in any amount which would otherwise be payable to the Municipality under this paragraph, to the fullest extent permissible by law, the Grantee hereby assigns its interest in such amount to said holder for payment to the Municipality.

5. Covenants to Run With the Property: (a) The Grantor and the Grantee, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, hereby grant and assign to the Municipality, the Municipality's agents, successors, designees and assigns and to the Director, the Director's agents, successors, designees and assigns the right of first refusal to purchase the Property as set forth herein, and the right to enforce the rights and restrictions, covenants and agreements set forth in this Deed Rider. The Grantor and the Grantee hereby grant to the Municipality and to the Director the right to enter upon the Property for the purpose of enforcing any and all of the restrictions, covenants and agreements herein contained, and to enforce the Municipality's and the Director's rights of first refusal to purchase the Property and the rights of the Municipality and the Director to designate a purchaser of the Property as set forth herein, and of taking all actions with respect to the Property which the Municipality or the Director may determine to be necessary or appropriate, with or without court order, to prevent, remedy or abate any violation of the restrictions, covenants and agreements and to enforce the Municipality's and the Director's rights of first refusal to purchase the Property and the rights of the Municipality and the Director to designate a purchaser of the Property set forth herein. The rights hereby granted to the Municipality and the Director shall be in addition to and not in limitation of any other rights and remedies available to the Grantor or the Municipality or the Director for enforcement of the restrictions, rights, covenants and agreements set forth in this Deed Rider. It is intended and agreed that all of the agreements, covenants, rights and restrictions set forth above shall be deemed to be covenants running with the Property and shall be binding upon and enforceable against the Grantee, the Grantee's successors and assigns and any party holding title to the Property, for the benefit of and enforceable by the Municipality, the Municipality's agents, successors, designees and assigns and the Director, the Director's agents, successors, designees and assigns for a period which is the shortest of (i) fifty years from the creation of the restriction, or (ii) upon the recording of a Compliance Certificate or (iii) upon the recording of an Eligible Purchaser Certificate and a new Deed Rider executed by the eligible purchaser referenced in the Eligible Purchaser Certificate, which new Deed Rider the Eligible

Purchaser Certificate certifies is in form and substance satisfactory to DHCD and the Municipality or (iv) upon the conveyance of the Property to the Municipality and the recording of a Municipal Purchaser Certificate as set forth herein or (v) upon the conveyance of the Property to the Director in accordance with the terms hereof.

(b) This Deed Rider and all of the agreements, restrictions, rights and covenants contained herein shall be deemed to be an affordable housing restriction as that term is defined in M.G.L. c. 184, § 31 and as that term is used in M.G.L. c. 184, §§ 26, 31, 32, and 33.

(c) The Grantee intends, declares and covenants on behalf of itself and its successors and assigns (i) that this Deed Rider and the covenants, agreements, rights and restrictions contained herein shall be and are covenants running with the land, encumbering the Property for the term of this Deed Rider, and are binding upon the Grantee's successors in title, (ii) are not merely personal covenants of the Grantee, and (iii) shall bind the Grantee, its successors and assigns and enure to the benefit of the Municipality and the Director and their successors and assigns for the term of the Deed Rider. Grantee hereby agrees that any and all requirements of the laws of the Commonwealth of Massachusetts to be satisfied in order for the provisions of this Deed Rider to constitute restrictions and covenants running with the land shall be deemed to be satisfied in full and that any requirements of privity of estate are also deemed to be satisfied in full.

(d) Without limitation on any other rights or remedies of the Grantor, the Municipality, and the Director, their agents, successors, designees and assigns, any sale or other transfer or conveyance of the Property in violation of the provisions of this Deed Rider, shall, to the maximum extent permitted by law, be voidable by the Municipality, the Municipality's agents, successors, designees and assigns or by the Director, the Director's agents, successors, designees or assigns by suit in equity to enforce such rights, restrictions, covenants, and agreements.

6. Notice: Any notices, demands or requests that may be given under this Deed Rider shall be sufficiently served if given in writing and delivered by hand or mailed by certified or registered mail, postage prepaid, return receipt requested, to the parties hereto at the addresses set forth below, or such other addresses as may be specified by any party by such notice.

Municipality:

DHCD:

Department of Housing and Community Development

Att'n: LIP Director

100 Cambridge Street, 3rd Floor

Boston, MA 02114

Grantor:

Grantee:

Any such notice, demand or request shall be deemed to have been given on the day it is hand delivered or mailed.

7. Further Assurances: The Grantee agrees from time to time, as may be reasonably required by the Municipality or the Director, to furnish the Municipality and the Director with a written statement, signed and, if requested, acknowledged, setting forth the condition and occupancy of the Property, information concerning the resale of the Property and all other information pertaining to the Property or the Grantee's eligibility for and conformance with the requirements of the LIP Program.

8. Waiver: Nothing contained herein shall limit the rights of the Director to release or waive, from time to time, in whole or in part, any of the rights, restrictions, covenants or agreements contained herein with respect to the Property. Any such release or waiver must be made in writing and must be executed by the Director or his/her designee.

9. Severability: If any provisions hereof or the application thereof to any person or circumstance shall come, to any extent, to be invalid or unenforceable, the remainder hereof, or the application of such provision to the persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and enforced to the fullest extent permitted by law.

Executed as a sealed instrument this _____ day of _____, 200__.

Grantor:

By

Signature

Name

Its

Grantee:

By

Signature

Name

Signature

Name

LSI\f\l-dr

COMMONWEALTH OF MASSACHUSETTS

County of _____, ss _____, 200__

On this _____ day of _____, 20__, before me, the undersigned notary public, personally appeared _____, proved to me through satisfactory evidence of identification, which were _____, to be the person whose name is signed on the preceding document [Grantor], and acknowledged to me that he/she signed it voluntarily for its stated purpose.

Notary Public

Print Name:

My commission expires:

COMMONWEALTH OF MASSACHUSETTS

County of _____, ss. _____, 200__

On this _____ day of _____, 20__, before me, the undersigned notary public, personally appeared _____, proved to me through satisfactory evidence of identification, which were _____, to be the person whose name is signed on the preceding document [Grantee], and acknowledged to me that he/she signed it voluntarily for its stated purpose.

Notary Public

Print Name:

My commission expires:

© DHCD When used in the Local Initiative Program, this form may not be modified without the written approval of the Department of Housing and Community Development.

Economic Development

The economic development component of Shrewsbury's community development plan consists of two parts:

- An economic development suitability map prepared by Central Massachusetts Planning Commission (attached).
- Consolidation and reorganization of three business districts: Highway Business, Office/Research and Limited Industrial, as recommended by the Shrewsbury Master Plan (2001) and Fiscal Impact Study (2001). Specifically, the work plan required:
 - Table of Uses, Table of Dimensional Requirements and Special Regulations for new districts.
 - Presentation of proposed zoning amendments to the Master Plan Implementation Committee (MPIC) and Planning Board.
 - Preparation of zoning amendments for the town meeting warrant.

Zoning amendments to accomplish the work plan were prepared and presented to a special town meeting in March 2003, at which time they were adopted; see attached. Central Massachusetts Planning Commission subsequently prepared a revised zoning map for the town.

Additional services for the Community Development Plan included drafts of two new district bylaws: the Fairlawn Overlay District and Edgemere District (attached). The draft bylaws address issues raised but not specifically addressed in the Shrewsbury Master Plan (2001).

COMMONWEALTH OF MASSACHUSETTS

Worcester, ss.

To a Constable of the Town of Shrewsbury in the County of Worcester

GREETING:

In the name of the Commonwealth of Massachusetts you are directed to notify and warn the inhabitants of the Town of Shrewsbury qualified to vote in town affairs to meet in the Senior High School Auditorium, 64 Holden Street in said Shrewsbury on Monday, the twenty-fourth of March, A.D., 2003, at seven o'clock post meridian (7:00 P.M.), and there to act on the following articles:

ARTICLE 1

To see if the Town will vote to amend the Zoning Bylaw by amending Section II, Definitions as follows:

1) Add a new definition after the term “Garage, Public or Storage”

Gasoline Service Stations with Related Uses: A building or use in which gasoline sales, automotive related sales and service activities are conducted including the incidental sale of non automotive goods.

2) Add a definition after the term “Utility Structure” as follows:

Warehousing and Distribution: A building or use designed for the storage, wholesale, and distribution of manufactured products, supplies, and equipment.

3) Add a definition after the term “Restaurant” as follows:

Salesroom for Automobiles and Motor Cycles: A building or use designed for the sale of passenger vehicles and motorcycles including all terrain vehicles, all trucks with a gross vehicle weight of 14,000 pounds or less, but not including agricultural, construction equipment and motor homes/recreation vehicles greater than twenty feet in length as defined by this bylaw.

4) Add a definition after the term “Restaurant” as follows:

Salesroom for Agricultural and Construction Equipment, Recreation Vehicles, Motor Homes, Trucks and Boats: A building or use designed for the sale or rental of farm and construction equipment, recreation vehicles, motor homes, trucks, boats, marine supplies, and other similar products.

ARTICLE 2

To see if the Town will vote to amend the Zoning Bylaw by amending the Limited Industrial and Commercial Business District as follows:

Amend Section VI, Table I, Use Regulations Schedule as follows:

**Table I
Use Regulation Schedule**

	Rur A	Rur B	Res A	Res B-1	Res B-2	MF-1	MF-2	Apt	LB	CB	LI (8)	NB	O-R	LO-R
1) Delete the following row from Table I														
One Family detached dwellings	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Y	N	N
and insert the following row in its place														
One Family detached dwellings	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	N	Y	N	N
2) Delete the following row from Table I														
Hotels, motels, or lodging houses	N	N	N	N	N	N	N	N	N	SP	SP	N	SP	N
and insert the following row in its place														
Hotels, motels, or lodging houses	N	N	N	N	N	N	N	N	N	Y	Y	N	SP	N
3) After the line item “Gasoline Stations”, insert the following row into Table I														
Gasoline Service Stations with Related Uses (9)	N	N	N	N	N	N	N	N	N	SP	SP(26)	N	N	N
4) Under footnotes to Section VI, Table I, insert the following:														
(26) In no instance shall the non-gasoline sales function of the property have a gross floor area that exceeds 3,500 square feet.														

	Rur A	Rur B	Res A	Res B-1	Res B-2	MF-1	MF-2	Apt	LB	CB	LI (8)	NB	O-R	LO-R
--	-------	-------	-------	---------	---------	------	------	-----	----	----	--------	----	-----	------

5) Delete the following row from Table I

Salesrooms for automobiles, bicycles, boats, farm implements and similar equipment.	N	N	N	N	N	N	N	N	N	SP	N	N	N	N
---	---	---	---	---	---	---	---	---	---	----	---	---	---	---

and insert the following row in its place

Salesroom for Automobiles and Motor Cycles	N	N	N	N	N	N	N	N	N	SP	N	N	N	N
--	---	---	---	---	---	---	---	---	---	----	---	---	---	---

6) After the revised line item “Salesroom for Automobiles and Motor Cycles”, insert the following row into Table I

Salesroom for Agricultural, Construction, Large Recreation, Trucks and Boating Sales and Equipment	N	N	N	N	N	N	N	N	N	N	SP	N	N	N
--	---	---	---	---	---	---	---	---	---	---	----	---	---	---

7) Delete the following row from Table I

Trucking Terminals and Warehouses	N	N	N	N	N	N	N	N	N	N	Y (12)	N	N	N
-----------------------------------	---	---	---	---	---	---	---	---	---	---	--------	---	---	---

and insert the following row in its place

Trucking Terminals	N	N	N	N	N	N	N	N	N	N	SP (12)	N	N	N
--------------------	---	---	---	---	---	---	---	---	---	---	---------	---	---	---

8) After the revised line item “Trucking Terminals”, insert the following row into Table I

Warehousing and Distribution	N	N	N	N	N	N	N	N	N	N	Y (12)	N	N	N
------------------------------	---	---	---	---	---	---	---	---	---	---	--------	---	---	---

9) Delete the following row from Table I (This line item was added to the Zoning Bylaw as part of the Zoning amendments approved at the September 9, 2002 Special Town Meeting.)

and insert the following row in its place

ARTICLE 3

Amend Section VII, Table II as follows:

	I MINIMUM REQUIREMENTS						II MAXIMUM CONDITIONS			
DISTRICT	Lot Area ⁽¹⁰⁾ Sq. Ft.	Lot ⁽¹⁾ Frontage	Front ⁽²⁾ Yard	Side ⁽³⁾ Yard	Rear Yard	Add'l Area Per ⁽⁵⁾ Dwelling Unit	Open Space Percent of Lot Area	Lot Coverage Percent	Height Feet	Number Stories
ALBANY	10,000	100	10	5	5	1,000	10	70	35	3
ALBUQUERQUE	10,000	100	10	5	5	1,000	10	70	35	3
ANCHORAGE	10,000	100	10	5	5	1,000	10	70	35	3
ARIZONA	10,000	100	10	5	5	1,000	10	70	35	3
AUSTIN	10,000	100	10	5	5	1,000	10	70	35	3
BALTIMORE	10,000	100	10	5	5	1,000	10	70	35	3
BIRMINGHAM	10,000	100	10	5	5	1,000	10	70	35	3
BOSTON	10,000	100	10	5	5	1,000	10	70	35	3
BUFFALO	10,000	100	10	5	5	1,000	10	70	35	3
CALIFORNIA	10,000	100	10	5	5	1,000	10	70	35	3
CHICAGO	10,000	100	10	5	5	1,000	10	70	35	3
CINCINNATI	10,000	100	10	5	5	1,000	10	70	35	3
CLEVELAND	10,000	100	10	5	5	1,000	10	70	35	3
DALLAS	10,000	100	10	5	5	1,000	10	70	35	3
DENVER	10,000	100	10	5	5	1,000	10	70	35	3
Detroit	10,000	100	10	5	5	1,000	10	70	35	3
DUBLIN	10,000	100	10	5	5	1,000	10	70	35	3
DURHAM	10,000	100	10	5	5	1,000	10	70	35	3
EL PASO	10,000	100	10	5	5	1,000	10	70	35	3
HARTFORD	10,000	100	10	5	5	1,000	10	70	35	3
HONOLULU	10,000	100	10	5	5	1,000	10	70	35	3
HOUSTON	10,000	100	10	5	5	1,000	10	70	35	3
KANSAS CITY	10,000	100	10	5	5	1,000	10	70	35	3
KANSAS	10,000	100	10	5	5	1,000	10	70	35	3
KENTUCKY	10,000	100	10	5	5	1,000	10	70	35	3
LAKESIDE	10,000	100	10	5	5	1,000	10	70	35	3
LAKEVIEW	10,000	100	10	5	5	1,000	10	70	35	3
LEWISVILLE	10,000	100	10	5	5	1,000	10	70	35	3
LITTLE ROCK	10,000	100	10	5	5	1,000	10	70	35	3
LOS ANGELES	10,000	100	10	5	5	1,000	10	70	35	3
LOUISIANA	10,000	100	10	5	5	1,000	10	70	35	3
LONG BEACH	10,000	100	10	5	5	1,000	10	70	35	3
LOS ORANGE	10,000	100	10	5	5	1,000	10	70	35	3
LYNN	10,000	100	10	5	5	1,000	10	70	35	3
MADISON	10,000	100	10	5	5	1,000	10	70	35	3
MARIETTA	10,000	100	10	5	5	1,000	10	70	35	3
MARYLAND	10,000	100	10	5	5	1,000	10	70	35	3
MASSACHUSETTS	10,000	100	10	5	5	1,000	10	70	35	3
MEMPHIS	10,000	100	10	5	5	1,000	10	70	35	3
MILWAUKEE	10,000	100	10	5	5	1,000	10	70	35	3
MINNEAPOLIS	10,000	100	10	5	5	1,000	10	70	35	3
MISSISSIPPI	10,000	100	10	5	5	1,000	10	70	35	3
MOBILE	10,000	100	10	5	5	1,000	10	70	35	3
MONROVIA	10,000	100	10	5	5	1,000				

Commercial-Business (amended 11/13/2001)

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and insert the following row in its place

Commercial-Business (amended 11/13/2001)

All Uses ⁽⁶⁾	40,000	150	40	15	25 ⁽⁷⁾	--	20	50	50	4
-------------------------	--------	-----	----	----	-------------------	----	----	----	----	---

2) Delete the following rows from Table II

Limited Industrial (amended 11/13/2001)

All Uses	80,000	50	50	50*	50*	--	30	40	50	3
----------	--------	----	----	-----	-----	----	----	----	----	---

*except 100 when abutting a Residential District

and insert the following row in its place

Limited Industrial (amended 11/13/2001)

All Uses	80,000	50	50	50*	50*	--	20	50	50	4
----------	--------	----	----	-----	-----	----	----	----	----	---

*except 100 when abutting a Residential District

3) Under footnotes to Section VII, Table II, delete the wording to the current footnote (6) in its entirety and replace it with the following:

- (6) The first twenty (20) feet of the required front yard shall contain plant materials, in various patterns, designed to provide a continuous landscaped edge to the property in question, except for points of entry and exit. Said landscaping shall be in accordance with section VII.D.2.d.(1). If no public sidewalk exists across the entire frontage of the lot, a paved sidewalk of at least 4 feet in width shall be provided within the 20-foot landscaped area, and as much as possible said sidewalk shall be designed to create a continuous pedestrian walkway with the abutting properties.

4) Under footnotes to Section VII, Table II, delete the wording to the current footnote (7) in its entirety and replace it with the following:

- (7) Where the rear property line abuts or is located within a residential district, a buffer zone of at least ten feet in width shall be provided along the entire rear yard. Within said buffer, no commercial building or parking areas shall be permitted. Said landscaping shall be in accordance with Section VII.D.2.d.(2).

5) Under footnotes to Section VII, Table II, amend footnote (9) by deleting the number “75” in the last clause and insert in place thereof the number “40”.

ARTICLE 4

To see if the Town will vote to amend the Zoning Map in accordance with a map entitled “Proposed Zoning Map Amendments” dated February 11, 2003. A copy of the map along with a complete list of Assessor’s Parcels affected by the proposed change is available in the Office of the Town Clerk and the Engineering Department located at the Shrewsbury Municipal Office Building.

ARTICLE 5

To see if the Town will amend the Zoning Bylaw by amending Section VII Table II as follows:

- 1) For the line item "All Other Uses" as it pertains to the Rural A, Rural B, Residence B-1, and Residence B-2 Districts, under the column "Open Space Percent of Lot Area", replace the current dashed lines (No requirement) with the number 25.

TABLE II

DISTRICT	MINIMUM REQUIREMENTS						MAXIMUM CONDITIONS			
	Lot Area ⁽¹⁰⁾ Sq. Ft.	Lot ⁽¹⁾ Frontage	Front ⁽²⁾ Yard	Side ⁽³⁾ Yard	Rear Yard	Add'l Area Per ⁽⁵⁾ Dwelling Unit	Open Space Percent of Lot Area	Lot Coverage Percent	Height Feet	Number Stories

- 1) Delete the following rows from Table II:

Residence "A"										
All Uses	20,000	125	30	20	40	--	--	30	35	2-1/2

and insert the following rows in its place:

Residence "A"										
One Family	20,000	125	30	20	40	--	--	30	35	2-1/2
All Other Uses	40,000	150	50	30	50	--	25	10	35	2-1/2

ARTICLE 6

To see if the Town will vote to amend the Zoning Bylaw by amending Section VI. The purpose of this amendment is to eliminate a duplication in footnote numbering created by zoning amendments made at the September 2002 Special Town Meeting.

Amend Table I, Use Regulations Schedule as follows:

	Rur A	Rur B	Res A	Res B-1	Res B-2	MF-1	MF-2	Apt	LB	CB	LI (8)	NB	O-R	LO-R
Hotels, motels or lodging houses (11/13/2001) (9/9/2002)	N	N	N	N	N	N	N	N	N	SP	SP	N	SP (23)	N

and insert the following row in its place

Hotels, motels or lodging houses (11/13/2001) (9/9/2002)	N	N	N	N	N	N	N	N	N	N	SP	SP	N	SP (25)	N
---	---	---	---	---	---	---	---	---	---	---	----	----	---	------------	---

2) Delete in its entirety following:

- (23) Hotels, motels, and lodging houses, are not permitted in the Office Research District unless they have direct access to Route 9, Route 20, Route 140, or Interstate 290, and are situated on parcels not more than 500 feet from said roadways. (9/9/2002)

and after footnote (24), insert the following:

- (25) Hotels, motels, and lodging houses, are not permitted in the Office Research District unless they have direct access to Route 9, Route 20, Route 140, or Interstate 290, and are situated on parcels not more than 500 feet from said roadways. (9/9/2002)

ARTICLE 7

To hear and act upon the report of the Board of Selectmen in laying out and making public a connector road between Hartford Turnpike (Route 20) and Pine Street in the Town of Grafton as shown on plans filed in the office of the Town Clerk, and authorize the Selectmen to acquire by eminent domain any easements therein and associated thereto for all the purposes of a Town way and all necessary drainage easements.

ARTICLE 8

To see if the Town will vote to transfer a sum of money from the Sewer Surplus Account to fund costs associated with an Infiltration and Inflow Study (I&I) of the Municipal Sewer System.

ARTICLE 9

To see if the Town will vote to transfer a sum of money from the Water System Improvements Account to fund costs associated with the repair, refurbishment and improvement of Home Farm Well 6-2 and related appurtenances.

LAKEWAY OVERLAY DISTRICT

1. Purposes.

The Town shall have a Lakeway Overlay District (LOD) as shown on the Zoning Map dated _____, on file in the office of the Town Clerk. The purposes of the Lakeway Overlay District are to serve as a downtown area for Shrewsbury residents by providing a mix of commercial, residential, institutional and civic uses in a physical arrangement that is safe for vehicular, pedestrian and bicycle traffic. In the Lakeway Overlay District no structure shall be erected or altered and no building, structure, premises or land shall be used for any purpose or in any manner other than as permitted as follows.

2. Relationship to Site Plan Review. All permitted and special permitted uses in the Lakeway Overlay District are subject to Article VII, Section F: Site Plan.

3. Permitted Uses and Structures

3.1. All uses permitted (Y) in the Commercial Business District shall be permitted in the Lakeway Overlay District, except as listed under Section 4.3 of this Bylaw.

3.2. The following additional uses shall be permitted in the Lakeway Overlay District:

3.2.1. Dwelling units above the ground floor of a commercial building.

3.2.2. Live-and-work space, e.g. artist's residence and studio.

3.2.3. Conversion of a one-family dwelling, existing at the time of the original adoption of this section of the Bylaw, for a permitted retail or office use, or for a permitted mix of retail, office and residential uses.

4. Uses and Structures Permitted by Special Permit

4.1. All uses permitted by special permit in the Commercial Business District shall be special permitted uses in the Lakeway Overlay District, except as listed under Section 4.3 of this Bylaw.

4.2. The Planning Board may issue a special permit for the following additional uses in the Lakeway Overlay District:

4.2.1. Multi-family garden-type apartments (SP-PB), subject to a new footnote to Table I:

(28) Multi-family use shall be permitted only as part of a mixed-use development and in all cases shall be subject to the requirements of Section VII-M. Special Regulations for the Lakeway Overlay District. Multi-family units may be located above the ground floor of a commercial building, accessed by an entrance separate and distinct from commercial uses, and in a multi-family building to the side or rear of the same lot. Building disposition (placement) in relation to the

principal commercial structure shall be subject to the approval of the Planning Board.

- 4.2.2. Multi-family townhouse-type structures (SP-PB), subject to a new footnote to Table I:

(29) Use allowed by special permit subject to the requirements of Section VII-M. Special Regulations for the Lakeway Overlay District.

- 4.2.3. Marinas.

4.3. Prohibited Uses

- 4.3.1. Single-family detached dwelling.

- 4.3.2. Hospital or sanitarium.

- 4.3.3. Banking machines, as stand-alone structures, or where public access is available via drive-up windows or from outside a building¹

- 4.3.4. Restaurants or other places for serving food not confined to service on the premises¹

- 4.3.5. Gasoline service stations.

- 4.3.6. Garage and repair shops.

- 4.3.7. Salesrooms for Automobiles and Motor Cycles

- 4.3.8. Mortuaries or crematories

- 4.3.9. Auditoriums, skating rinks, clubs and other places of amusement or assembly where activities are conducted *outside* the structure.

- 4.3.10. Adult bookstore, adult motion picture theater, adult paraphernalia store, adult video store, or establishment which displays live nudity for its patrons¹

- 4.3.11. Any use which will produce a nuisance or hazard from fire or explosion, toxic or corrosive fumes, gas, smoke, odors, obnoxious dust or vapor, harmful radioactivity, offensive noise or vibration, flashes, objectionable effluent or electrical interference which may affect or impair the normal use and peaceful enjoyment of any property, structure or dwelling in the Town.

- 4.3.12. Any use not explicitly provided for in this Bylaw.

5. Dimensional, Setback and Intensity Regulations

¹ Use prohibited in the Lakeway Overlay District and in any portion of a district underlying the LOD.

Uses in the Lakeway Overlay District shall meet the following requirements, subject to the corresponding footnotes to Section VII, Table II:

Minimum Lot Area:	40,000 feet (16)
Minimum Frontage:	150 feet (16)
Front Yard Setback (Maximum Feet):	20 (17)
Side Yard Setback (Feet):	None (18)
Rear Yard Setback (Feet):	20 (19)
Additional Area/Dwelling Unit:	N/A
Open Space % Lot Area:	15%
Lot Coverage:	50%
Maximum Height (Feet):	35 (20)
Number of Stories:	3 (20)

Footnotes to Table II:

(16) Where the underlying district is less than 300 feet in depth, the minimum lot size for uses in the Lakeway Overlay District shall be 20,000 square feet and the minimum frontage, 100 feet.

(17) The front yard setback in the Lakeway Overlay District is a maximum setback that the Planning Board may waive by special permit only for development that consists of more than one structure on a single lot and only for structures located to the rear of a lot. See “Special Regulations for the Lakeway Overlay District” at Section VII-M of this bylaw. No parking shall be permitted in the front yard setback.

(18) Except 50 feet when abutting a Rural or Residence district.

(19) Except 50 feet when abutting a Rural or Residence district.

(20) The Planning Board may, by special permit, authorize a maximum height up of 60 feet and five stories for development that consists of more than one structure on a single lot, provided the taller elevation/s is/are located to the rear of the lot, the structure at the front lot line conforms to the height requirements of Table II, the structure with the taller elevation is for a mix of uses but predominantly residential, and the lot does not abut a Rural or Residence District.

6. Development Regulations for the Lakeway Overlay District

Development, redevelopment and reuse will generally be deemed consistent with the purposes of the Lakeway Overlay District when it meets the following objectives: (a) provides appropriate scale, design, operation and visual character for a New England downtown, (b) avoids “big box” development, (c) consolidates and minimizes curb cuts, subordinates the location of parking to buildings, and provides exemplary architectural design, (d) strengthens the local economy, (e) encourages pedestrian and bicycle access along major and side streets, and between commercial or mixed-use

properties, and (f) encourages people to live, work and shop in Shrewsbury by providing a planned mix of uses.

6.1. Multi-Family Dwellings

6.1.1. Multi-family garden-type apartments and multi-family townhouse uses may be allowed by special permit from the Planning Board when part of a mixed-use development in the Lakeway Overlay District, subject to the following requirements:

6.1.1.1. Multi-family garden-type apartments shall be located above the ground floor of a building provided that the ground floor is occupied by permitted commercial uses.

6.1.1.2. In developments that qualify for a special permit to include multiple buildings on a single lot, multi-family garden-type apartments may additionally be allowed in separate buildings located to the side and rear portions of a lot, provided that no more than 60% of aggregate gross floor area on the lot is for residential uses. Building disposition (placement) in relation to the principal commercial structure shall be subject to the approval of the Planning Board.

6.1.1.3. Multi-family townhouse-type structures may be allowed by special permit in separate structures located to the side and rear portions of a lot on which the primary structure facing the street is used for mixed commercial-residential uses, provided that no more than 60% of aggregate gross floor area on the lot is for residential uses. Building disposition (placement) in relation to the principal commercial structure shall be subject to the approval of the Planning Board.

6.1.1.4. Multi-family garden-type apartments and multi-family townhouse-type structures must provide affordable housing in accordance with Community Benefits (below).

6.1.2. The maximum number of garden-type apartments or townhouse-type units allowed in a single development shall not exceed the limit in Footnote 5 of Table I, Section VI.

6.1.3. Aggregate maximum gross floor area of garden-type apartments or townhouse-type units approved by special permit from the Planning Board shall not exceed 40% of aggregate gross floor area of all uses in the Lakeway Overlay District, including permitted or special permitted uses in the underlying district.

6.2. Site Development; Location of Buildings and Structures

In addition to the requirements of Section VII of this bylaw, the following development regulations apply in the Lakeway Overlay District.

6.2.1. Multiple buildings on a single lot. By special permit from the Planning Board, a lot in the Lakeway Overlay District may contain more than one structure with a principal use, but the total amount of development on any lot shall not exceed a gross floor area ratio of .80. The Planning Board may grant approval for two or more structures on one lot only upon making a determination that the proposed development:

6.2.1.1. Contains a mix of commercial and residential uses.

6.2.1.2. Meets Lakeway Overlay District Design Guidelines

6.2.1.3. Addresses the criteria under Community Benefits.

6.3. Site Plan Submission Requirements

All uses in the Lakeway Overlay District shall be subject to site plan review or site plan approval, as applicable, by the Planning Board. Applications and procedures shall be in accordance with Section VII-F and the following additional requirements for Site Plan Content:

6.3.1. Elevations of all proposed buildings, prepared and stamped by a registered professional architect.

6.3.2. A landscaping plan showing the location, name, number and size of plant types, and the locations and elevation and/or height of planting beds, fences, walls, steps and paths, prepared by a registered landscape architect.

6.4. Site Plan Approval Criteria

6.4.1. The Planning Board shall approve a site plan only upon a determination that the plan meets the requirements of Section VII-F.h and the following additional design criteria for the Lakeway Overlay District. Specifically, the Planning Board shall find that the site plan:

6.4.1.1. Promotes public safety by avoiding pedestrian or vehicular hazards within the site or egressing from it, facilitating access by emergency vehicles and facilitating visual surveillance by occupants, neighbors and passersby.

6.4.1.2. Minimizes curb cuts on existing public ways. Wherever feasible, access to lots in the Lakeway Overlay District shall be provided through one of the following methods: (a) through a cul-de-sac or loop road or common driveway shared by adjacent lots or premises, (b) through joint and cross access between the lot and adjacent uses, (c) through

an existing side or rear street, (c) through a cul-de-sac or loop road shared by adjacent lots or premises.

6.4.1.3. Contributes to a visually attractive, pedestrian- and bicycle-oriented image throughout the Lakeway Overlay District by providing appropriate landscaping and walkways along Route 9 and between adjoining properties. In addition:

6.4.1.3.1. The front yard area should provide pedestrian amenities, such as an accessible patio or sitting plaza, and a continuous landscaped edge to the property in question, except for points of entry and exit. Visual relief from buildings and hard materials shall be accomplished with landscape treatment such as shrubs, trees, flower boxes and other greenery around buildings or in recessed places.

6.4.1.3.2. If no public sidewalk exists across the frontage of the lot, a paved sidewalk of at least four feet in width shall be provided within the front yard setback and to the maximum extent possible, the sidewalk shall be designed to create a continuous pedestrian walkway with the abutting properties.

6.4.1.3.3. Parking shall be located to the rear of a building and may be located to the side, provided that no parking is located within 20 feet of the front elevation facing Route 9.

6.4.1.3.4. Parking areas shall include appropriate, visible facilities for the parking of bicycles.

6.4.1.4. Enhances the natural environment by preserving mature trees where they exist, reducing the volume of earth materials cut or filled, reducing soil erosion during and after construction and reducing the extent of alteration in the amount, timing and location of stormwater runoff from the site.

6.4.1.5. Addresses the design guidelines set forth in Section 6.5.

6.5. Lakeway Overlay District Design Guidelines

The following design guidelines apply to all uses and structures in the Lakeway Overlay District and must be addressed in applications for site plan review or site plan approval, as applicable.

- 6.5.1. General. The elements on a building's elevations are crucial to its overall architectural quality, its presence and contribution to the surrounding area. A two- to two-and-one-half story elevation is preferred for structures facing Route 9, but a three-story elevation is acceptable. Taller elevations may be approved for structures located to the rear of a lot. In addition, a pleasing, symmetrical arrangement of windows, entrances, trim, shutters and other details, and proportionality of these features, creates a rhythm that will accomplish the town's objectives for the Lakeway Overlay District. Generally, buildings must contribute to a sense of continuity and coherence for all who visit, shop or work there. Architectural diversity is encouraged as long as individual design solutions are compatible with the purposes of the Lakeway Overlay District as a compact, mixed-use area with a strong visual definition.
- 6.5.2. Site context. Recognizing that major visual exposure comes not only from the building front, applicants must give full attention to the treatment of sidewalks, landscaping, parking areas and the building wall at the rear and sides.
- 6.5.3. Size, mass, facades and exterior features. No single structure may exceed 80,000 gross square feet. A single building with a width of more than 60 feet facing the street shall be divided visually into sub-elements which, where appropriate, express the functional diversity within the building. In addition, all buildings shall:
- 6.5.3.1. Provide continuous visual interest, emphasizing such design features as bay windows, recessed doorways, pilasters, columns, horizontal and vertical offsets, material and color variations, decorative cornices, awnings or canopies.
 - 6.5.3.2. Avoid unarticulated and monotonous building facades and window placements, regular spacings, and building placements that will be viewed from the street as continuous walls.
 - 6.5.3.3. Provide human-scale features, especially for pedestrians and at lower levels and from a pedestrian viewing distance.
- 6.5.4. Accommodation of taller buildings. Taller buildings must be located away from Route 9 and from abutting and off-site residential areas.
- 6.5.5. Exterior materials. Exterior materials may include painted clapboard, wood shingles, brick or materials of comparable appearance, subject to approval by the Planning Board. Neutral or earth-tone colors are appropriate, but brighter colors may be applied to building trim with approval of the Planning Board. Variation in materials, appropriate colors and textures is encouraged when they contribute to the purposes

of the Lakeway Overlay District. Rough, imitation or reflective materials such as unpainted wood, field stone, stucco, smooth-face concrete, exposed metal, imitation materials, mirror glass, porcelain enamel or polished stone are prohibited.

- 6.5.6. Rooflines and roof features. A flat or nearly flat roof is prohibited on any building facing the street in the Lakeway Overlay District. Structures facing Route 9 should have a simple gable roof with an average slope of 6 over 12. A structure that fronts on and faces a side street should have a simple gable roof with a pitch of at least 8 over 12, or a gambrel or a hip roof. The roof trim should have depth and projection of details. For other structures, roof features should complement the character of adjoining development and meet the purposes of the Lakeway Overlay District. Roofs shall at a minimum have parapets concealing flat roofs and rooftop equipment, (such as HVAC units) which are visible from adjoining public streets or properties. Parapets or facades shall be designed to give the appearance of three or more roof slope planes.
- 6.5.7. Environmental design. Applicants are encouraged to use green building technologies and materials, wherever possible, to limit environmental impacts.
- 6.5.8. Large retail development. Large retail developments of more than 50,000 square feet of floor area shall provide outdoor spaces and amenities to link structures with surrounding areas in the Lakeway Overlay District. Passenger drop-off/pick-up points shall be integrated with traffic patterns on the site. Special design features shall enhance the building's function as a center of activity within the District. Each large retail development shall provide at least one of the following design features, which shall be constructed of materials that match the principal structure and linked by sidewalks to the principal structure:
 - 6.5.8.1. Patio/seating area.
 - 6.5.8.2. Pedestrian plaza with benches.
 - 6.5.8.3. Window shopping walkway.
 - 6.5.8.4. Play areas.
 - 6.5.8.5. Kiosk area.
 - 6.5.8.6. Water feature or clock tower.
 - 6.5.8.7. Other focal feature approved by the Planning Board.

6.6. Community Benefits

The Planning Board may grant a special permit for a mixed-use development that includes multi-family garden-type apartments or multi-family townhouse-

type structures when the development provides community benefits. For purposes of this bylaw, “community benefits” shall include low- or moderate-income affordable housing and one of the additional benefits described below.

- 6.6.1. Low-income affordable housing. A mixed-use development shall provide 10% of the dwelling units as affordable in perpetuity to households with incomes at or below 80% of area median income as determined by the U.S. Department of Housing and Urban Development (HUD). “Affordable” shall account for adjustments to income based on household size/s suitable for the proposed dwelling units, as presented in the formula for below-market housing.

For mixed-use developments that receive a special permit on the condition of including low-income affordable units, no occupancy permit shall be issued for until:

- 6.6.1.1. An affordable housing use restriction or regulatory agreement approved by the DHCD Local Initiative Program (760 CMR 45.00) has been recorded at the Registry of Deeds.
- 6.6.1.2. Applicants provide evidence acceptable to the town that the unit/s has/have been approved by the DHCD Local Initiative Program (760 CMR 45.00) for listing on the Chapter 40B Subsidized Housing Inventory.

- 6.6.2. Neighborhood or community facility. A mixed-use development shall also provide a neighborhood or community facility, i.e., a facility open and available to residents of nearby neighborhoods or the town, and meets community needs as determined by the Planning Board. A neighborhood or community facility may include:

- 6.6.2.1. A small public park with furnishings and pathways accessible to persons with disabilities.
- 6.6.2.2. A tot lot or small neighborhood playground, with furnishings and pathways accessible to persons with disabilities.
- 6.6.2.3. A bandstand.
- 6.6.2.4. A fee in lieu of neighborhood or community facilities paid to the Lakeway Overlay District Fund. The fund shall be the town’s use to provide streetlights, sidewalks, trash receptacles and public realm improvements in the Lakeway Overlay District, in accordance with a fee schedule approved by the Planning Board.

7. Special Permits in the Lakeway Overlay District

The special permit Granting Authority (SPGA) for uses and structures in the Lakeway Overlay District shall be the Planning Board.

- 7.1. Requirements. An application for a special permit in the Lakeway Overlay District shall include a written description of the proposal for which a special permit is requested and a Site Plan prepared by a Registered Professional Engineer and/or Registered Land Surveyor at an appropriate scale to clearly show dimensions, legend, and all other information deemed necessary to describe the site and its conditions.
- 7.2. Relationship to site plan approval. The site plan approval requirements of Section VII.F(3) of this Bylaw shall apply to special permitted uses in the Lakeway Overlay District. For uses allowed by special permit, site plan review shall be conducted concurrently with the special permit application, review and determination procedures.
- 7.3. Special Permit Granting Criteria. The Planning Board may approve a special permit for a proposed use or structure upon finding that the application complies with the purposes of this Bylaw, to the degree consistent with a reasonable use of the site for the purpose permitted within the Lakeway Overlay District. In making its decision, the Planning Board shall consider the following criteria:
 - 7.3.1. Compliance with the Shrewsbury Zoning Bylaw
 - 7.3.2. Consistency with the Shrewsbury Master Plan.
 - 7.3.3. Consistency with “Lakeway Overlay District Design Guidelines” in Section 6.5 of this Bylaw.
 - 7.3.4. The degree to which the applicant has preserved and enhanced a historically significant building or other historic or cultural resource, where applicable.
 - 7.3.5. The degree to which the applicant’s proposal provides logical, safe pedestrian connections to other uses nearby.
 - 7.3.6. Protection of adjoining premises against detrimental or offensive uses on the site.
 - 7.3.7. Adequacy of space for vehicular access to the site and off-street parking and loading/unloading on the site.
 - 7.3.8. Convenience and safety of vehicular and pedestrian movement within the site and in relation to adjacent ways and land.
 - 7.3.9. Adequacy of water supplies and distribution for domestic use fire protection.

- 7.3.10. Adequacy of the methods of storage and disposal for sewage, refuse and other wastes resulting from the uses permitted on the site and the methods of drainage or retention of surface water..

8. Off-Street Parking.

Off-street parking shall be provided in accordance with Section VII.D, Off-Street Parking and Loading Regulations, except that in the Lakeway Overlay District, applicants may seek relief from strict compliance with the off-street parking requirements of this Bylaw by obtaining a special permit from the Planning Board.

The Planning Board may grant relief by issuing a special permit to:

- 8.1. Reduce the number of required parking spaces.
- 8.2. Accept from the applicant a payment in lieu of parking spaces to the Lakeway Parking Fund.
- 8.3. Authorize a combination thereof.

EDGEMERE VILLAGE DISTRICT

Section VI: Use Regulations

The Edgemere Village District (EV) is intended for neighborhood business and residential uses at a scale appropriate for a small village area.

Amendments to Table I

1) Permitted Uses. All uses permitted (Y) in the Limited Business District, and:

- Multi-family garden-type apartments shall be permitted (Y), subject to a new footnote to Table I:

(27) Multi-family units shall be permitted only as part of a mixed-use development.¹ Residential units shall be limited to floors above the ground floor of a building and accessed by an entrance separate and distinct from commercial uses. At least 65% of the ground floor shall be used for permitted commercial or institutional uses. For mixed-use development, the residential density shall not exceed 15 units per acre and the minimum lot size shall be 25,000 square feet.

2) Special Permit Uses. All uses allowed by special permit (SP) in the Limited Business District, except the following shall be prohibited in EV:

- Veterinary hospitals, stables and kennels used for commercial purposes, raising or breeding of animals for sale, and boarding of animals subject to the same conditions applicable to the location of farm buildings and the grazing of farm animals shall not be permitted.
- Banking machines, as stand-alone structures, or where public access is available via drive-up windows or from outside a building.
- Building materials and salesrooms.
- Overnight storage, parking, or garaging of commercial vehicles of more than 14,000 pounds gross vehicle weight.

3) Prohibited Uses. In addition to the above, all uses prohibited in the Limited Business District shall also be prohibited in the Edgemere Village District.

Section VII: Development of Sites and Location of Buildings and Structures

1) Amend Section VII, Table II, by adding “Edgemere Village District” to the column labeled “DISTRICT,” after “Limited Office Research,” and inserting the following requirements:

¹ Add a new Definition.

<u>Standard</u>	<u>Requirement</u>
Minimum Lot Area	12,500 feet
Minimum Frontage	100 feet
Front Yard Setback (Feet)	15 (12)
Side Yard Setback (Feet)	None (13)
Rear Yard Setback (Feet)	20 (14)
Additional Area/Dwelling Unit	N/A
Open Space % Lot Area	10%
Lot Coverage	50%
Maximum Height (Feet)	35 (15)
Number of Stories	3 (15)

- Add Footnotes to Table II as follows:

(12) No parking shall be permitted in the front yard setback. At least 10 feet of the front yard setback shall be landscaped consistent with site plan review conditions, and five feet shall be designed as a paved sidewalk.

(13) Except 50 feet when abutting a residential district.

(14) Except 50 feet when abutting a residential district.

(15) If at-grade parking for at least 20 vehicles is provided and the parking is located so as not to be visible from the front façade of the building, the maximum height shall be 45 feet and 3-½ stories.

- 2) In Section VII E. Signs, Section 2, add “Edgemere Village District” after “Neighborhood Business District” in the second line.
- 3) In Section VII F. Site Plan Paragraph 1b, insert “Edgemere Village” between “Limited Industrial” and “Districts.”